Preliminary Placement Document
Subject to completion
Not for circulation and strictly confidential
Serial Number: ________

The information in this Preliminary Placement Document is not complete and may be changed. The Issue is meant only for Eligible Investors on a private placement basis and is not an offer to the public or to any other class of investors to purchase or subscribe to the Units. This Preliminary Placement Document is not an offer to subscribe to or sell any Units and is not soliciting an offer to subscribe or buy the Units in any jurisdiction where such offer, subscription or sale is not permitted.

India Grid Trust

(Registered in the Republic of India as an irrevocable trust under the Indian Trusts Act, 1882, on October 21, 2016, and as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, on November 28, 2016, having registration number IN/InvIT/16-17/0005 at New Delhi).

Principal Place of Business: Unit No. 101, First Floor, Windsor, Village KoleKalyan, Off CST Road, Vidyanagari Marg, Kalina, Santacruz East, Mumbai 400 098
Tel: +91 22 6924 1311; **Compliance Officer**: Urmil Shah
E-mail: complianceofficer@indigrid.com; **Website**: www.indigrid.co.in

FOR CIRCULATION TO ELIGIBLE INVESTORS ONLY

TRUSTEE	SPONSOR	INVESTMENT MANAGER
	SPONSOR	
Axis Trustee Services Limited	**Esoteric II Pte. Ltd.**	**IndiGrid Investment Managers Limited**

ISSUE OF [●] UNITS^ (THE "UNITS") REPRESENTING AN UNDIVIDED BENEFICIAL INTEREST IN INDIA GRID TRUST ("INDIGRID" OR THE "TRUST") BY WAY OF AN INSTITUTIONAL PLACEMENT TO ELIGIBLE INVESTORS, AT A PRICE OF ₹ [●] PER UNIT ("ISSUE PRICE"), AGGREGATING TO ₹ [●] MILLION BY THE TRUST (THE "ISSUE")

^ THE BOARD OF DIRECTORS OF THE INVESTMENT MANAGER ("IM BOARD") BY WAY OF ITS RESOLUTION DATED MAY 12, 2023 AND THE UNITHOLDERS OF INDIGRID BY WAY OF THEIR RESOLUTION DATED JUNE 6, 2023, HAVE APPROVED THE ISSUE.

THE ISSUE, AND THE DISTRIBUTION OF THE PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT, WILL BE MADE ONLY TO ELIGIBLE INVESTORS IN RELIANCE UPON CHAPTER 7 ON '*GUIDELINES FOR PREFERENTIAL ISSUE AND INSTITUTIONAL PLACEMENT OF UNITS BY LISTED INVITS*' OF SEBI MASTER CIRCULAR NO. SEBI/HO/DDHS/DDHS-PoD-2/P/CIR/2023/115 DATED JULY 6, 2023, AS AMENDED FROM TIME TO TIME ("SEBI INSTITUTIONAL PLACEMENT GUIDELINES") AND THE SECURITIES AND EXCHANGE BOARD OF INDIA (INFRASTRUCTURE INVESTMENT TRUSTS) REGULATIONS, 2014, AS AMENDED ("INVIT REGULATIONS"). NO OFFER IS BEING MADE TO THE PUBLIC OR ANY OTHER CLASS OF INVESTORS.

LISTING

The Units of the Trust to be Allotted pursuant to the Issue are proposed to be listed on National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**" and together with NSE, the "**Stock Exchanges**"). The Trust has received in-principle approval from NSE and BSE for listing of the Units pursuant to letters dated December 5, 2023. Applications shall be made to the Stock Exchanges for obtaining the final listing and trading approvals for the Units to be Allotted pursuant to the Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Units to be Allotted pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of the Trust or of the Units. A copy of the Preliminary Placement Document, has been, and a copy of the Placement Document will be delivered to NSE and BSE.

The Issue Price, should not be taken to be indicative of the market price of the Units after the Units to be Allotted pursuant to the Issue are listed. No assurance can be given regarding an active or sustained market for trading in the Units or regarding the price at which the Units will be traded after listing. This Preliminary Placement Document has not been, and will not be, registered as a prospectus, will not be circulated or distributed to the public at large in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

The Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Units are only being offered and sold outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S under the Securities Act ("**Regulation S**") and the applicable law of the jurisdictions where such offers and sales are made. The Units are transferable only in accordance with the restrictions described under the section entitled *"Selling Restrictions"* on page 355 of this Preliminary Placement Document.

PRELIMINARY PLACEMENT DOCUMENT

THIS PRELIMINARY PLACEMENT DOCUMENT WILL BE PERSONAL TO EACH ELIGIBLE INVESTOR. THIS PRELIMINARY PLACEMENT DOCUMENT HAS BEEN PREPARED BY THE TRUST SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE ISSUE. YOU MAY NOT, AND ARE NOT AUTHORIZED TO, (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT, IN WHOLE OR IN PART, IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (INFRASTRUCTURE INVESTMENT TRUSTS) REGULATIONS, 2014, AS AMENDED OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.

Unless a serially numbered Preliminary Placement Document along with an Application Form is addressed to a particular Eligible Investor, no invitation to offer shall be deemed to have been made to such Eligible Investor to make an offer to subscribe to Units pursuant to the Issue. For further details, please see the section entitled "*Issue Information*" on page 343. The distribution of the Preliminary Placement Document or the Placement Document or the disclosure of its contents without the Investment Manager's prior consent, to any person, is unauthorized and prohibited.

The information on the Trust's/Investment Manager's/Project Manager's/Sponsor Group members' website (to the extent such Sponsor Group member has a website), the Trustee's website, any website directly or indirectly linked to such websites or the websites of the Placement Agents does not form part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites, unless specified in this Preliminary Placement Document. As at the date of this Preliminary Placement Document, the Sponsor does not have a website. Each addressee, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and shall make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

GENERAL RISKS

INVESTMENTS IN UNITS INVOLVE RISKS AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN THE ISSUE UNLESS THEY CAN AFFORD TO TAKE THE RISK OF LOSING THEIR ENTIRE INVESTMENT. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TRUST, THE UNITS, THE ISSUE, THE PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT, INCLUDING THE RISKS INVOLVED. INVESTORS ARE ADVISED TO CAREFULLY READ THE PRELIMINARY PLACEMENT DOCUMENT AND PLACEMENT DOCUMENT, INCLUDING THE SECTION ENTITLED "*RISK FACTORS*" ON PAGE 87 BEFORE MAKING AN INVESTMENT DECISION. EACH ELIGIBLE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS, ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE UNITS BEING ISSUED PURSUANT TO THE ISSUE.

PLACEMENT AGENTS				REGISTRAR TO THE ISSUE
Axis Capital Limited	**Ambit Private Limited**	**HSBC Securities and Capital Markets (India) Private Limited**	**SBI Capital Markets Limited**	**KFin Technologies Limited**

This Preliminary Placement Document is dated December 5, 2023

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DEFINITIONS AND ABBREVIATIONS

This Preliminary Placement Document uses the definitions and abbreviations provided below which you should consider when reading the information contained in this Preliminary Placement Document.

References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made under that provision.

The words and expressions used in this Preliminary Placement Document, but not defined herein shall have the meaning ascribed to such terms under the InvIT Regulations, SEBI Institutional Placement Guidelines, SEBI Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms not defined but used in the sections entitled "Taxation" and "Litigation" on pages 359 and 316, respectively, and "Financial Statements" enclosed at Annexure B, shall have the meanings ascribed to such terms in those respective sections.

In this Preliminary Placement Document, unless the context otherwise requires, a reference to "we", "us" and "our" refers to IndiGrid and the Portfolio Assets, on a consolidated basis. For the sole purpose of consolidated financial statements, any discussion for the periods relating to the six-month period ended September 30, 2023 and the Fiscals 2023, 2022 and 2021, the terms "we", "us" or "our" would indicate or imply, IGT together with its subsidiaries during and as at end of such periods.

IndiGrid Related Terms

Term	Description
Amended and Restated Trust Deed	Amended and Restated Trust Deed dated January 19, 2021 executed between SPTL, the Sponsor, the Investment Manager and the Trustee
Associate	Associate as defined in Regulation 2(1)(b) of the InvIT Regulations
Auditors	S R B C & CO LLP, Chartered Accountants, the statutory auditors of IndiGrid
BDTCL	Bhopal Dhule Transmission Company Limited
BDTCL TSA	Transmission services agreement dated December 7, 2010 entered into by BDTCL with LTTCs and a transmission services agreement dated November 12, 2013, entered into by BDTCL with PGCIL
Consolidated Financial Statements	Consolidated Financial Statements of IndiGrid for fiscal 2023, Consolidated Financial Statements of IndiGrid for fiscal 2022 and Consolidated Financial Statements of IndiGrid for fiscal 2021
Consolidated Financial Statements of IndiGrid for fiscal 2021	Audited Ind AS Consolidated financial statements of India Grid Trust and its subsidiaries namely, IGL, IGL1, IGL2, BDTCL, JTCL, MTL, RTCL, PKTCL, PTCL, NTL, OGPTL, ENICL, GPTL, JKTCL, PrKTCL and NER which comprise the consolidated balance sheets for the financial year ended March 31, 2021 and the related consolidated statements of profit and loss (including other comprehensive income), consolidated cash flow statements and consolidated statements of changes in unitholders equity for the financial year ended March 31, 2021, the consolidated statement of total returns at fair value and the statement of NDCF for IndiGrid, the HoldCos and each of the subsidiaries for the financial year ended March 31, 2021 and a summary of significant accounting policies and other explanatory information prepared in accordance with Ind AS read with the InvIT Regulations.
Consolidated Financial Statements of IndiGrid for fiscal 2022	Audited Ind AS Consolidated financial statements of India Grid Trust and its subsidiaries namely, IGL, IGL1, IGL2, BDTCL, JTCL, MTL, RTCL, PKTCL, PTCL, NTL, OGPTL, ENICL, GPTL, JKTCL, PrKTCL, NER, IGL Solar I, IGL Solar II and Kallam which comprise the consolidated balance sheets for the financial year ended March 31, 2022 and the related consolidated statements of profit and loss (including other comprehensive income), consolidated cash flow statements and consolidated statements of changes in unitholders equity for the financial year ended March 31, 2022, the consolidated statement of total returns at fair value and the statement of NDCF for IndiGrid, the HoldCos and each of the subsidiaries for the financial year ended March 31, 2022 and a summary of significant accounting policies and other explanatory information prepared in accordance with Ind AS read with the InvIT Regulations.
Consolidated Financial Statements of IndiGrid for fiscal 2023	Audited Ind AS Consolidated financial statements of India Grid Trust and its subsidiaries namely, IGL, IGL1, IGL2, BDTCL, JTCL, MTL, RTCL, PKTCL, PTCL, NTL, OGPTL, ENICL, GPTL, JKTCL, PrKTCL, NER, IGL Solar I, IGL Solar II, Kallam, RSTCPL and KTL which comprise the consolidated balance sheets for the financial year ended March 31, 2023 and the related consolidated statements of profit and loss (including other comprehensive income), consolidated cash flow statements and consolidated statements of changes in unitholders equity for the financial year ended March 31, 2023, the consolidated statement of total returns at fair value and the statement of NDCF for IndiGrid, the HoldCos and each of the subsidiaries for the financial year ended March 31, 2023 and a summary of significant accounting policies and other explanatory information prepared in accordance with Ind AS read with the InvIT Regulations.
ENICL	East-North Interconnection Company Limited
ENICL Share Purchase Agreement	Share purchase agreement dated March 23, 2020, entered into between SPGVL, SPTL, the Trustee (on behalf of, and acting in its capacity as the trustee to IndiGrid), the Investment Manager and ENICL
ENICL TSA	Transmission services agreement dated August 6, 2009 entered into by ENICL with LTTCs and a transmission services agreement dated January 28, 2013 entered into by ENICL with PGCIL
Framework Agreement	Framework Agreement dated December 21, 2022, entered into between the Trustee (on behalf of, and

Term	Description
	acting in its capacity as the trustee to IndiGrid), the Investment Manager, GR Infra and the Framework Asset
Framework Asset	Rajgarh Transmission Limited
Framework Project	400/220 kV, 3x500 MVA at Pachora SEZ PP with 420 kV (125 MVAR) bus reactor; Pachora SEZ PP -Bhopal 400 kV D/c line (Quad/HTLS); - 2 no. of 400 kV line bays at Bhopal for Pachora SEZ PP-Bhopal 400 kV D/c line (Quad/HTLS)
GGEPL	Godawari Green Energy Private Limited
GPTL	Gurgaon Palwal Transmission Limited
GPTL Share Purchase Agreement	Share purchase agreement dated August 28, 2020 entered into SPGVL, SGL4, the Trustee, the Investment Manager, and GPTL
GPTL TSA	Transmission services agreement dated March 4, 2016, entered into by GPTL with LTTCs and a revenue sharing agreement dated April 27, 2017 entered into by GTPL with PGCIL
GR Infra	G R Infraprojects Limited
GSPPL	Globus Steel and Power Private Limited
Holdco(s)	Holding company, as defined under Regulation 2(l)(sa) of the InvIT Regulations
IGL	IndiGrid Limited (formerly, Sterlite Grid 1 Limited)
IGL O&M Contract	The operation and maintenance contract dated September 28, 2020 entered into between JKTPL and IGL
IGL Solar I	IndiGrid Solar-I (AP) Private Limited (formerly, FRV Andhra Pradesh Solar Farm-I Private Limited)
IGL Solar I PPA	Power purchase agreement dated October 5, 2016 entered into between IGL Solar I and Solar Energy Corporation of India Limited
IGL Solar II	IndiGrid Solar-II (AP) Private Limited (formerly, FRV India Solar Park-II Private Limited)
IGL Solar II PPA	Power purchase agreement dated October 5, 2016 entered into between IGL Solar II and Solar Energy Corporation of India Limited
IGL Work Order	The work order dated March 2, 2021 entered into between IGL and PrKTCL
IGL1	IndiGrid 1 Limited (formerly, Sterlite Grid 2 Limited)
IGL2	IndiGrid 2 Limited (formerly, Sterlite Grid 3 Limited)
IGT or IndiGrid or the Trust	India Grid Trust
Investment Management Agreement	The amended and restated investment management agreement dated August 25, 2023 entered into between the Trustee (on behalf of IndiGrid), the Investment Manager, the Portfolio Assets, and the Other Portfolio Entities (apart from KBPL), as amended.
Investment Manager or IIML	IndiGrid Investment Managers Limited
InvIT Assets	InvIT assets as defined under Regulation 2(l)(zb) of the InvIT Regulations, in this case being the Portfolio Assets and the Other Portfolio Entities
JKTPL	Jhajjar KT Transco Private Limited
JKTPL Share Purchase Agreement	Share purchase agreement dated May 29, 2020 entered into between the Trustee, the Investment Manager, Kalpataru Power Transmission Limited, Techno Electric & Engineering Company Limited and JKTPL
JKTPL TSA	Transmission services agreement dated May 28, 2010 entered into between JKTPL and Haryana Vidyut Prasaran Nigam Limited
JTCL	Jabalpur Transmission Company Limited
JTCL TSA	Transmission services agreement dated December 1, 2010 entered into by JTCL with LTTCs and a transmission services agreement dated November 12, 2013 entered into by JTCL with PGCIL
Kallam or KLMTL	Kallam Transmission Limited
Kallam TSA	Transmission services agreement dated September 30, 2021 entered into between Kallam and LTTCs
KBPL	Kilokari BESS Private Limited
KPTL	Kalpataru Power Transmission Limited
KKR	KKR & Co. Inc. and its subsidiaries, unless the context requires otherwise
KTL	Khargone Transmission Limited
KTL TSA	Transmission services agreement dated March 14, 2016, entered into between KTL and LTTCs
MTL	Maheshwaram Transmission Limited
MTL Share Purchase Agreement	Share purchase agreement dated February 14, 2018, entered into between IGL2, IGL, the Trustee (on behalf of, and acting in its capacity as the trustee to, IndiGrid), the Investment Manager and MTL, as amended
MTL TSA	Collectively, the transmission services agreement dated June 10, 2015, entered into by MTL with LTTCs and a transmission services agreement dated April 27, 2017 entered into by MTL with PGCIL
NER	NER II Transmission Limited
NER Share Purchase Agreement	Share purchase agreement dated March 5, 2021 entered into between the Trustee, SPTL, the Investment Manager, SGL4 and NER
NER TSA	Transmission services agreement dated December 27, 2016 entered into by NER with the LTTCs
NTL or NRSS	NRSS XXIX Transmission Limited
NTL Share Purchase Agreement	Share purchase agreement dated April 30, 2019 entered into between the Trustee, SPGVL, the Investment Manager, IGL1 and NTL, as amended
NTL TSA	Transmission services agreement dated January 2, 2014 entered into by NTL with the LTTCs and a transmission services agreement dated December 22, 2015 entered into by NTL with PGCIL
OGPTL	Odisha Generation Phase - II Transmission Limited
OGPTL Share Purchase	Share purchase agreement dated April 30, 2019 entered into between the Trustee, SPGVL, the

Term	Description
Agreement	Investment Manager, IGL2 and OGPTL, as amended
OGPTL TSA	Collectively the transmission services agreement dated November 20, 2015 entered into by OGPTL with the LTTCs and a transmission services agreement dated April 27, 2017 entered into by OGPTL with PGCIL
Other Portfolio Entities	KBPL, Virescent IM and Virescent PM
PKTCL Share Purchase Agreement	Share purchase agreement dated February 14, 2018, entered into between IGL1, IGL, the Trustee (on behalf of, and acting in its capacity as the trustee to, IndiGrid), the Investment Manager and PKTCL, as amended
PKTCL TSA	Transmission services agreement dated August 6, 2013, entered into by PKTCL with the LTTCs and a transmission services agreement dated December 22, 2015 entered into by PKTCL with PGCIL
PrKTCL Share Purchase Agreement	Share purchase agreement dated November 28, 2020 entered into between Reliance Infrastructure Limited, the Investment Manager, the Trustee (on behalf of, and acting in its capacity as the trustee to, IndiGrid) and PrKTCL, as amended
PTCL Share Purchase Agreement	Share purchase agreement dated February 19, 2018, entered into between Techno Power Grid Company Limited, Techno Electric & Engineering Company Limited, the Trustee (on behalf of, and acting in its capacity as the trustee to, IndiGrid)
PTCL TSA	Transmission services agreement dated July, 2013 entered into by PTCL with PGCIL
RTCL Share Purchase Agreement	Share purchase agreement dated February 13, 2018, entered into between IGL1, IGL, the Trustee (on behalf of, and acting in its capacity as the trustee to, IndiGrid), the Investment Manager and RTCL, as amended
Securities Purchase Agreement	Securities purchase agreement dated May 8, 2017, entered into between SPGVL, the Trustee (on behalf of, and acting in its capacity as the trustee to, IndiGrid), the Investment Manager and IGL, as amended
Original Trust Deed	Trust deed dated October 21, 2016, entered into between SPGVL and the Trustee, as amended by way of the deed of amendment to the Original Trust Deed dated August 13, 2020
Parties to IndiGrid or Parties to the Trust	The Sponsor Group, the Trustee, the Investment Manager and the Project Manager
PGCIL	Power Grid Corporation of India Limited
PKTCL	Purulia & Kharagpur Transmission Company Limited
PLG	PLG Photovoltaic Private Limited
Portfolio Assets	Unless the context otherwise requires, IGL, IGL1, IGL2, BDTCL, JTCL, MTL, RTCL, PKTCL, PTCL, NTL, OGPTL, ENICL, GPTL, JKTPL, PrKTCL, NER, KTL, Kallam, RSTCPL, IGL Solar I and IGL Solar II, GGEPL, UMD, USUPL, GSPPL, PLG, Solar Edge, TKSPL, TSEG, TNSPEPL, TRSPL, TSEC, TSEN, TSET, TSEP, TSESPL and/or their projects, as applicable
PrKTCL	Parbati Koldam Transmission Company Limited
PrKTCL BPTA	Collectively, the bulk power transmission agreements (i) entered into between PrKTCL and Punjab State Electricity Board dated December 17, 2008, (ii) PrKTCL and Ajmer Vidyut Vitran Nigam Limited dated November 27, 2008, (iii) PrKTCL and BSES Rajdhani Power Limited dated November 24, 2008, (iv) PrKTCL and BSES Yamuna Power Limited dated November 24, 2008, (v) PrKTCL and President of India through Secretary Engineering Department of Chandigarh, Administration dated January 7, 2009, (vi) PrKTCL and Haryana Power Purchase Centre on behalf of Uttar Haryana Vidyut Vitran Nigam Limited and Dakshin Haryana Vidyut Vitran Nigam Limited dated December 3, 2008, (vii) PrKTCL and Himachal Pradesh State Electricity Board dated January 20, 2009, (viii) PrKTCL and Power Development Department, Government of Jammu and Kashmir dated May 19, 2009, (ix) PrKTCL and Jodhpur Vidyut Vitran Nigam Limited dated December 11, 2008, (x) PrKTCL and Jaipur Vidyut Vitran Nigam Limited dated November 27, 2008, (xi) PrKTCL and North Delhi Power Limited dated January 5, 2009, (xii) PrKTCL and Uttar Pradesh Power Corporation Limited, and (xiii) PrKTCL and Uttarakhand Power Corporation Limited dated April 2, 2009
PrKTCL TSA	Transmission services agreement December 24, 2013 entered into by PrKTCL with PGCIL
Project Implementation and Management Agreement(s)	(i) The project implementation and management agreement dated July 13,2021 as amended entered into between the Trustee (on behalf of IndiGrid), the Investment Manager, the Project Manager and the Solar Assets; and (ii) The project implementation and management agreement dated June 30, 2021, as amended entered into between the Trustee (on behalf of IndiGrid), the Investment Manager, the Project Manager and the Transmission Assets.
Project Manager	IndiGrid Limited, which is also a HoldCo under the Trust
PTCL	Patran Transmission Company Limited
Related Party	Related Party, as defined under Regulation 2(1)(zv) of the InvIT Regulations and Ind AS 24, and shall also include (i) Parties to IndiGrid; and (ii) the promoters, directors and partners of the Parties to IndiGrid
RSTCPL	Raipur Sholapur Transmission Company Private Limited
RSTCPL Share Purchase Agreement	Share purchase agreement dated July 30, 2022, as amended, entered into between RSTCPL, Simplex Infrastructures Limited, Patel Engineering Limited, BS Limited, IndiGrid and the Investment Manager
RSTCPL TSA	Transmission services agreement dated August 4, 2010 entered into between RSTCPL and LTTCs
RTCL	RAPP Transmission Company Limited
RTCL TSA	Transmission services agreement dated July 24, 2013 entered into by RTCL with the LTTCs and a transmission services agreement dated December 22, 2015 entered into by RTCL with PGCIL
SGL4	Sterlite Grid 4 Limited
Solar Assets	IGL Solar I, IGL Solar II, GGEPL, UMD, USUPL, GSPPL, PLG, Solar Edge, TKSPL, TSEG,

Term	Description
	TNSPEPL, TRSPL, TSEC, TSEN, TSET and TSEP
Solar Edge	Solar Edge Power and Energy Private Limited
SPGVL	Sterlite Power Grid Ventures Limited (amalgamated into SPTL with effect from January 13, 2021)
Sponsor	Esoteric II Pte. Ltd.
Sponsor Group	Collectively, the Sponsor, KKR Ingrid Co-Invest L.P., KKR Ingrid Co-Invest GP Limited, KKR Asia Pacific Infrastructure Investors SCSp, KKR Associates AP Infrastructure SCSp, KKR AP Infrastructure S.à.r.l., KKR Asia Pacific Infrastructure Holdings Pte. Ltd. and Esoteric I Pte. Ltd.
SPV(s)	Special purpose vehicles, as defined under Regulation 2(l)(zy) of the InvIT Regulations
SPTL	Sterlite Power Transmission Limited, an erstwhile sponsor of IndiGrid
Standalone Financial Statements	Audited Ind AS standalone financial statements of the India Grid Trust which comprise the balance sheets for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 and the related standalone statements of profit and loss (including other comprehensive income), standalone cash flow statements and standalone statements of changes in unitholders equity for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, the standalone statement of total returns at fair value and the statement of NDCF for IndiGrid for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 and a summary of significant accounting policies and other explanatory information prepared in accordance with Ind AS read with the InvIT Regulations
Summary Consolidated Financial Information	Summary consolidated financial information of IndiGrid as of and for the financial years ended, March 31, 2023, March 31, 2022 and March 31, 2021, derived from the consolidated financial information of the India Grid Trust as of such dates and such periods, which were prepared in accordance with Ind AS and the InvIT Regulations, and unaudited interim condensed financial statement as at and for the half year ended derived from unaudited interim condensed financial statements for half year ended September 30, 2023.
Summary Standalone Financial Information	Summary standalone financial information of IndiGrid as of and for the financial years ended, March 31, 2023, March 31, 2022 and March 31, 2021, derived from the standalone financial information of the India Grid Trust as of such dates and such periods, which were prepared in accordance with Ind AS and the InvIT Regulations, and unaudited interim condensed financial statement as at and for the half year ended derived from unaudited interim condensed financial statements for half year ended September 30, 2023
Summary Financial Information of the Investment Manager	Summary financial information of the Investment Manager on a standalone basis as of, and for the financial years ended, March 31, 2023, March 31, 2022 and March 31, 2021, derived from the standalone financial statements of the Investment Manager as of such dates and for such periods, which were prepared in accordance with Ind AS and the Companies Act
Summary Financial Information of the Sponsor	Summary financial information of the Sponsor as of, and for the calendar years ended December 31, 2022, December 31, 2021 and December 31, 2020, prepared in accordance with IFRS, derived respectively from the financial statements of the Sponsor as of such date and for such periods, prepared in accordance with IFRS
TKSPL	Terralight Kanji Solar Private Limited
TNSPEPL	TN Solar Power Energy Private Limited
Transmission Assets	Unless the context otherwise requires, BDTCL, JTCL, MTL, RTCL, PKTCL, PTCL, NTL, OGPTL, ENICL, GPTL, JKTPL, PrKTCL, NER, KTL, Kallam, TSESPL and RSTCPL
TRSPL	Terralight Rajapalayam Solar Private Limited
Trustee	Axis Trustee Services Limited
TSEC	Terralight Solar Energy Charanka Private Limited
TSEG	Terralight Solar Energy Gadna Private Limited
TSEN	Terralight Solar Energy Nangla Private Limited
TSEP	Terralight Solar Energy Patlasi Private Limited
TSESPL	Terralight Solar Energy Sitamauss Private Limited
TSET	Terralight Solar Energy Tinwari Private Limited
UMD	Universal Mine Developers & Service Providers Private Limited
Unaudited Interim Condensed Consolidated Financial Statements for half year ended September 30, 2023	Unaudited Interim Condensed Consolidated Ind AS Financial Statements of India Grid Trust and its subsidiaries namely, IGL, IGL1, IGL2, BDTCL, JTCL, MTL, RTCL, PKTCL, PTCL, NTL, OGPTL, ENICL, GPTL, JKTCL, PrKTCL, NER, IGL Solar I, IGL Solar II, Kallam, RSTCPL, KTL, TNSPEPL, UMD, TKSPL, TRSPL, Solar Edge, TSEC, PLG, TSET, USUPL, GSPPL, TSEP, TSEN, TSEG, GGEPL, TSESPL, Virescent IM and Virescent PM which comprise the consolidated condensed balance sheets for the six months period ended September 30, 2023 and the related consolidated condensed statements of profit and loss (including other comprehensive income), consolidated condensed cash flow statements and consolidated statements of changes in unitholders equity for the six months period ended September 30, 2023, the consolidated statement of total returns at fair value and the statement of NDCF for IndiGrid, the HoldCos and each of the subsidiaries for the six months period ended September 30, 2023 and a summary of significant accounting policies and other explanatory information prepared in accordance with Ind AS 34 read with the InvIT Regulations.
Unaudited Interim Condensed Standalone Financial Statements for half year ended September 30, 2023	Unaudited Interim Condensed Standalone Ind AS Financial Statements of India Grid Trust which comprise the standalone condensed balance sheets for the six months period ended September 30, 2023 and the related standalone condensed statements of profit and loss (including other comprehensive income), standalone condensed cash flow statements and standalone statements of changes in unitholders equity for the six months period ended September 30, 2023, the standalone statement of total returns at fair value and the statement of NDCF for IndiGrid, the HoldCos and each of the subsidiaries for the six months period ended September 30, 2023 and a summary of significant

Term	Description
	accounting policies and other explanatory information prepared in accordance with Ind AS 34 read with the InvIT Regulations.
Unit	An undivided beneficial interest in IndiGrid, and such Units together represent the entire beneficial interest in IndiGrid
Unitholders	Any person who holds Units upon making a defined contribution as determined by the Trustee
USUPL	Universal Saur Urja Private Limited
Valuation Report	Valuation report dated December 4, 2023 issued by the Valuer, which sets out their opinion as to the fair enterprise value of the Portfolio Assets as on September 30, 2023.
Valuer	Manish Gadia
Virescent IM	Virescent Infrastructure Investment Manager Private Limited
Virescent PM	Virescent Renewable Energy Project Manager Private Limited
VRET	Virescent Renewable Energy Trust
VRET Assets	SPVs and HoldCos previously held by VRET, namely, TNSPEPL, UMD, TKSPL, TRSPL, Solar Edge, TSEC, PLG, TSET, USUPL, GSPPL, TSEP, TSEN, TSEG, GGEPL, TSESPL, together with the Virescent IM and Virescent PM

Issue Related Terms

Term	Description
Allocated/ Allocation	The allocation of Units, to successful Bidders on the basis of the Application Form submitted by them, by the Investment Manager, in consultation with the Placement Agents
Allot/ Allotment/ Allotted	Unless the context otherwise requires, the issue and allotment of Units pursuant to the Issue
Allottees	Bidders to whom Units are issued and Allotted pursuant to the Issue
Application Form/ Application	Application form pursuant to which an Eligible Investor shall submit a Bid for the Units in the Issue
Bid Amount/ Application Amount	The Issue Price multiplied by the total number of Units Bid for by a Bidder as indicated in the Application Form
Bid(s)	Indication of interest of an Eligible Investor, as provided in the Application Form, to subscribe for the Units at or above the Floor Price, in terms of this Preliminary Placement Document and the Application Form
Bidder	Any Eligible Investor, who made a Bid pursuant to the terms of the Placement Document and the Application Form
CAN or Confirmation of Allocation Note	Note or advice or intimation to successful Bidders confirming the Allocation of Units to such successful Bidders after determination of the Issue Price
Client ID	Client identification number maintained with one of the Depositories in relation to a demat account
Closing Date	The date on which Allotment of Units pursuant to the Issue shall be made, i.e. on or about [●]
Demographic Details	Details of the Bidders, including the Bidder’s address, name of the Bidder’s father/husband, investor status, occupation and bank account details, PAN, DP ID and Client ID
Designated Date	The date of credit of Units to the successful Bidders’ demat accounts
Eligible Investor(s)	Institutional Investors
Escrow Account	The bank account opened with the Escrow Collection Bank, pursuant to the Escrow Agreement, into which the Application Amount shall be deposited by Eligible Investors and from which refunds, if any, shall be remitted to unsuccessful Bidders
Escrow Agreement	The escrow agreement dated December 5, 2023, entered into amongst Trustee (acting on behalf of, and in its capacity as trustee of, the Trust), the Investment Manager, the Placement Agents and the Escrow Collection Bank for, among others, collection of the Bid Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Collection Bank	YES Bank Limited
Floor Price	The minimum price at which the Issue will be made, being the price not less than the average of the weekly high and low of the closing prices of the Units of the same class quoted on the Stock Exchange during the 2 weeks preceding the Relevant Date, being ₹ 129.55 per Unit. The Investment Manager (on behalf of IndiGrid) may offer a discount of not more than 5% on the Floor Price in accordance with the SEBI Institutional Placement Guidelines
Institutional Investors	Institutional investors as defined under Regulation 2(1)(ya) of the InvIT Regulations
Issue	Issue of [●] Units by way of a fresh issue, through an institutional placement to Eligible Investors aggregating up to ₹ [●] million by the Trust
Issue Period	Period between the Issue/Bid Opening Date and Issue/Bid Closing Date, inclusive of both days, during which Eligible Investors may submit their Bids
Issue Price	₹ [●] per Unit
Issue Proceeds	The proceeds of the Issue that will be available to IndiGrid. For further details about the use of the Issue Proceeds, please see the section entitled “*Use of Proceeds*” on page 267
Issue/Bid Closing Date or Issue Closing Date	[●], 2023
Issue/Bid Opening Date or Issue Opening Date	December 5, 2023
Issue Size	The issue of [●] Units aggregating to ₹ [●] million
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds)

Term	Description
	Regulations, 1996
Net Proceeds	Proceeds of the Issue that will be available to IndiGrid, i.e., Issue Proceeds, less Issue expenses
Placement Agents or Lead Managers	Axis Capital Limited, Ambit Private Limited, HSBC Securities and Capital Markets (India) Private Limited and SBI Capital Markets Limited are lead managers and are hereafter referred to as Lead Managers or Placement Agents.
Placement Document	The placement document to be issued in relation to the Issue in accordance with the SEBI Institutional Placement Guidelines, the InvIT Regulations and circulars issued thereunder
Preliminary Placement Document	This Preliminary Placement Document dated December 5. 2023 issued in relation to the Issue in accordance with the SEBI Institutional Placement Guidelines, the InvIT Regulations and circulars issued thereunder
Registrar to the Issue or Registrar	KFin Technologies Limited
Relevant Date	December 5, 2023, the date of the meeting of the board of directors of the Investment Manager in which the board decided to open the Issue
Working Day(s)	Working day means all days on which commercial banks in Mumbai are open for business. In respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. For the period between the Issue Closing Date and the listing of Units on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

Technical and Industry related terms

Term	Description
AD Benefit	Accelerated Depreciation Benefit
APERC	Andhra Pradesh Electricity Regulation Commission
APTEL	Appellate Tribunal for Electricity
ARR	Aggregate Revenue Requirement
BOO	Build, own, operate
BOOM	Build, own, operate and maintain
BPC	Bid process co-ordinator
BPTA	Bulk Power Transmission Agreement
CDM	Clean Development Mechanism
COD	Commercial Operations Date, as may be specified in the relevant power purchase agreements
CTU	Central Transmission Utility
CTUIL	Central Transmission Utility of India Limited
CUF	Capacity utilization factor
D/C	Double Circuit
DC	Direct Current
DIC	Designated inter-state transmission system customers
DISCOM	Distribution companies
EEZ	Exclusive Economic Zone
EHS	Environment, Occupational Health and Safety
EHV	extra high voltage
F&S Regulations	Forecasting and Scheduling Regulations, 2019
FITs	Feed in tariffs
GEDA	Gujarat Energy Development Agency
GERC	Gujarat Electricity Regulatory Centre
GETCO	Gujarat Energy Transmission Corporation Limited
Grid Code	Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010 and the orders and procedures issued thereunder
GUVNL	Gujarat Urja Vikas Nigam Limited
GW	Giga watt
HVDC	High Voltage Direct Current
HVPNL	Haryana Vidyut Prasaran Nigam Limited
IREDA	Indian Renewable Energy Development Agency Limited
ISTS	Inter State Transmission Systems
JNNSM	Jawaharlal Lal Nehru National Solar Mission
kVarh	kilo volt ampere reactive hour
LTTC	Long term transmission customer
MEDA	Maharashtra Energy Development Agency
MNRE	Ministry of New and Renewable Energy
MoP	Ministry of Power
MSEDCL	Maharashtra State Electricity Distribution Company Limited
MVA	Mega Volt Ampere
MW	Mega watt
NDCF	Net distributable cash flows
NPCIL	Nuclear Power Corporation of India Limited
NSFI	National Solar Federation of India

Term	Description
NSM	National Solar Mission
NTPC	NTPC Limited
NVVN	NTPC Vidyut Vyapar Nigam Limited
O&M	Operations and Management
OPGW	Optical ground wire
PFC	Power Finance Corporation of India Limited
PGCIL	Power Grid Corporation of India Limited
PLF	Plant Load Factor
PoC	Point of Connection
POSOCO	Power System Operation Corporation Limited
PPA	Power Purchase Agreement
REC	Rural Electrification Corporation of India Limited
RLDC	Regional Load Dispatch Centre
RPO	Renewable Purchase Obligations
RRECL	Rajasthan Renewable Energy Corporation Limited
RSA	Revenue Sharing Agreement
SEB(s)	State Electricity Boards
SECI	Solar Energy Corporation of India Limited
SLDC	State Load Dispatch Centre
TANGEDCO	Tamil Nadu Generation and Distribution Company
TANTRANSCO	Tamil Nadu Transmission Corporation Limited
TBCB	Tariff Based Competitive Bidding
TEECL	Techno Electric & Engineering Company Limited
TNERC	Tamil Nadu Electricity Regulatory Commission
TPGCL	Techno Power Grid Company Limited
TSA	Transmission Services Agreement
TSP	Transmission Service Provider
UPNEDA	Uttar Pradesh New & Renewable Energy Development Agency
UPPCL	Uttar Pradesh Power Corporation Limited
VGF	Viability Gap Funding

Abbreviations

Term	Description
ACSR	Aluminum Conductor Steel Reinforced
AGM	Annual general meeting
AIFMD	Alternative Investment Fund Managers Directive
BOCW Act	The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
BSE	BSE Limited
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
Companies Act	Companies Act, 2013, as applicable and the rules made thereunder
Competition Act	Competition Act, 2002
CRISIL Report	The report entitled "*Market Assessment of India power transmission sector in December, 2023*" dated December 2023 prepared by CRISIL Research
CRISIL Research	CRISIL Market Intelligence & Analytics, a division of CRISIL Limited
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
EBITDA	Earnings before interest, tax, depreciation and amortization
Electricity Act	Electricity Act, 2003
Esoteric	Esoteric II Pte. Ltd.
FEMA	The Foreign Exchange Management Act, 1999, together with rules and regulations thereunder
FEMA Rules	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year or Fiscal Year or Fiscal	Period of 12 months ended March 31 of that particular year, unless otherwise stated
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
GAAR	General Anti-Avoidance Rules
Global Atlantic or Global Atlantic Financial Group	The Global Atlantic Financial Group LLC and its subsidiaries
GoI or Government	Government of India
IFRS	International Financial Reporting Standards
Ind AS	Companies (Indian Accounting Standards) Rules, 2015, notified on February 19, 2015 by the MCA,

Term	Description
	including any amendments or modifications thereto read with Section 133 of the Companies Act, 2013, as amended
Indian GAAP	Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule 2014 (as amended)
Indian GAAS	Generally Accepted Auditing Standards in India
InvIT Regulations	Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 including the rules, circulars and guidelines issued thereunder, including the SEBI Institutional Placement Guidelines
InvITs	Infrastructure Investment Trusts
IRDAI	Insurance Regulatory and Development Authority of India
IT Act	Income-tax Act, 1961
MoEF	Ministry of Environment, Forest and Climate Change
NDCF	Net distributable cash flows
NEFT	National Electronic Funds Transfer
Non-GAAP Measures	EBITDA (Earnings before interest, taxes, depreciation, and amortization) and EBITDA as a percentage of total income
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
PAN	Permanent account number
Power Supply Regulations	Central Electricity Regulatory Commission (Regulation of Power Supply) Regulations, 2010
RBI	Reserve Bank of India
Regulation S	Regulation S under the Securities Act
Rs./Rupees/INR/₹	Indian Rupees
RTGS	Real Time Gross Settlement
SCR (SECC) Regulations	Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018
SCRA	Securities Contracts (Regulation) Act, 1956
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Institutional Placement Guidelines	Chapter 7 read with Annexure 6 on '*Guidelines for preferential issue and institutional placement of units by listed InvITs*' of Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023 issued by the SEBI, as amended from time to time.
SEBI LODR Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SERC	State Electricity Regulatory Commission
Securities Act	United States Securities Act of 1933, as amended
Sharing Regulations 2020	Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020
Sharing Regulations 2010	Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010
Stock Exchanges	Together, the BSE and the NSE
Tariff Regulations	Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019
Tax	All forms of direct and indirect taxes, duties, charges, levies, including without limitation corporate income tax, withholding tax, minimum alternate tax, sales tax, goods & services tax, value added tax, customs and excise duties, service tax, capital gains tax and all charges, interest, penalties and fines incidental or relating to any taxation falling herein or which arise as a result of the failure to pay any taxes on the due date or to comply with any obligation relating to tax
U.S./U.S.A/United States	United States of America
USD/US$	United States Dollars

NOTICE TO INVESTORS

The statements contained in this Preliminary Placement Document relating to IndiGrid and the Units are true and accurate and not misleading in any material respect, and the opinions and intentions expressed in this Preliminary Placement Document with regard to IndiGrid and the Units are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to the Investment Manager. There are no facts in relation to the Trust and the Units, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, the Investment Manager has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements.

Each Eligible Investor receiving this Preliminary Placement Document acknowledges that such person has neither relied on the Placement Agents nor any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on his/her own examination of IndiGrid and the merits and risks involved in investing in the Units. Eligible Investors should not construe the contents of this Preliminary Placement Document as legal, business, tax, accounting or investment advice.

No person is authorized to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of IndiGrid or by or on behalf of the Placement Agents. The delivery of this Preliminary Placement Document, at any time, does not imply that the information contained in it is correct as of any time subsequent to its date.

The distribution of this Preliminary Placement Document to persons in certain jurisdictions outside India are restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Preliminary Placement Document are required to inform themselves about and observe such restrictions, and the Investment Manager or the Sponsor shall bear no responsibility or liability in this regard. This Issue is being made as an institutional placement to the Eligible Investors alone and shall not be construed as an offer or advertisement to offer Units to a persons or entities other than the Eligible Investors.

No action has been or will be taken by IndiGrid, the Trustee, the Investment Manager, the Project Manager, the Sponsor or the Placement Agents to permit the Issue in any jurisdiction where action would be required for that purpose. As such, this Preliminary Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Accordingly, the Units may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any Issue material in connection with the Units may be distributed or published in or from any country or jurisdiction that would require registration of the Units in such country or jurisdiction. Receipt of the Preliminary Placement Document or any Issue material in connection with the Units will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Preliminary Placement Document and/or any Issue material in connection with the Units must be treated as sent for information only and should not be acted upon for subscription to the Issue or the Units and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Preliminary Placement Document or any Issue material in connection with the Units should not, in connection with the Issue of the Units, distribute or send the Preliminary Placement Document nor any Issue material in connection with the Units in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations. If the Preliminary Placement Document or any Issue material in connection with the Units is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Units referred to in the Preliminary Placement Document or any Issue material in connection with the Units. See *"Selling Restrictions"* beginning on page 355.

Neither the delivery of this Preliminary Placement Document or the Placement Document nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of IndiGrid from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Preliminary Placement Document or the date of such information. The contents of the Preliminary Placement Document or any Issue material in connection with the Units should not be construed as legal, tax or investment advice. Bidders may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Units. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Units. In addition, none of IndiGrid, the Trustee, the Investment Manager, the Sponsor, the Project Manager or the Placement Agents are making any representation to any offeree or purchaser of the Units regarding the legality of an investment in the Units by such offeree or purchaser under any applicable laws or regulations. Each subscriber to the Units also acknowledges that it has been afforded an opportunity to request from the Investment Manager and review information pertaining to IndiGrid and the Units. This Preliminary Placement Document contains summaries of certain terms of certain documents, which summaries are qualified in their entirety by the terms and conditions of such documents. All references herein to "you" or "your" is to the prospective investors in the Issue.

This Preliminary Placement Document does not, directly or indirectly, relate to any invitation, offer or sale of any securities, instruments or loans (including any debt securities or instruments) that may be issued by the Trust or any of the Portfolio Companies concurrently with or after the listing of the Units pursuant to the Issue. Any person or entity investing in such issue or transaction by the Trust or any of the Portfolio Companies should consult its own advisors and neither the Placement Agents nor their respective associates or affiliates have any responsibility or liability for such issue or transaction.

Certain U.S. Matters

The Units to be issued pursuant to the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including the United States Securities and Exchange Commission ("**SEC**"), any other federal or state authorities in the United States, the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions.

The Units have not been and will not be registered under the Securities Act or any other applicable state securities laws of the United States and, shall not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Units are only being offered and sold outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. The Units are transferable only in accordance with the restrictions described under the section "*Selling Restrictions*" on page 355 of this Preliminary Placement Document.

Each purchaser of the Units offered by the Placement Document will be deemed to have made the representations, agreements and acknowledgments as described in this section titled "*Notice to Investors – Representations by Eligible Investors*" on page 11 and in the section entitled "*Selling Restrictions*" on page 355.

Notice to Investors in certain other jurisdictions

The distribution of this Preliminary Placement Document and the issue of the Units in certain jurisdictions may be restricted by law. As such, this Preliminary Placement Document does not constitute, and may not be used for, or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by the Sponsor Group, the Investment Manager or the Placement Agents or any other Person which would permit an Issue of the Units or distribution of this Preliminary Placement Document in any jurisdiction, other than India. Accordingly, the Units may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any Issue materials in connection with the Units be distributed or published in or from any country or jurisdiction that would require registration of the Units in such country or jurisdiction. Please see the section entitled "*Selling Restrictions*" on page 355.

Notice to Prospective Investors in the European Economic Area

This Preliminary Placement Document has been prepared on the basis that all offers of the Units will be made pursuant to an exemption under the Prospectus Regulation (EU) 2017/1129, as implemented in Member States of the European Economic Area ("**EEA**")**,** from the requirement to produce a prospectus for offers of Units. Accordingly, any person making or intending to make an offer within the EEA of Units which are the subject of the placement contemplated in this Preliminary Placement Document should only do so in circumstances in which no obligation arises for the Trust or the Placement Agents to produce a prospectus for such offer. None of the Trust and the Placement Agents have authorized, nor do they authorize, the making of any offer of the Units through any financial intermediary, other than the offers made by the Placement Agents which constitute the final placement of the Units contemplated in this Preliminary Placement Document .

THE TRUST WILL BE CONSTRUED TO CONSTITUTE AN ALTERNATIVE INVESTMENT FUND FOR THE PURPOSE OF THE EUROPEAN UNION DIRECTIVE ON ALTERNATIVE INVESTMENT FUND MANAGERS (DIRECTIVE 2011/61/EU) ("**AIFMD**"). THE ALTERNATIVE INVESTMENT FUND MANAGER (THE "**AIFM**") OF THE TRUST WILL BE THE INVESTMENT MANAGER.

UNITS MAY ONLY BE MARKETED TO PROSPECTIVE INVESTORS WHICH ARE RESIDENT, DOMICILED OR HAVE A REGISTERED OFFICE IN A EUROPEAN ECONOMIC AREA ("**EEA**") MEMBER STATE ("**EEA MEMBER STATE**") IN WHICH THE MARKETING OF UNITS HAS BEEN REGISTERED OR AUTHORIZED (AS APPLICABLE) UNDER THE RELEVANT NATIONAL IMPLEMENTATION OF ARTICLE 42 OF AIFMD, AND IN SUCH CASES, ONLY TO EEA PERSONS WHICH ARE "PROFESSIONAL INVESTORS" OR ANY OTHER CATEGORY OF PERSON TO WHICH SUCH MARKETING IS PERMITTED UNDER THE NATIONAL LAWS OF SUCH EUROPEAN ECONOMIC AREA MEMBER STATE (EACH AN "**EEA PERSON**"). THIS PRELIMINARY PLACEMENT DOCUMENT IS NOT INTENDED FOR, SHOULD NOT BE RELIED ON BY AND SHOULD NOT BE CONSTRUED AS AN OFFER (OR ANY OTHER FORM OF MARKETING) TO ANY OTHER EEA PERSON.

A "PROFESSIONAL INVESTOR" FOR THE PURPOSES OF AIFMD IS AN INVESTOR WHO IS CONSIDERED TO BE A PROFESSIONAL CLIENT OR WHICH MAY, ON REQUEST, BE TREATED AS A PROFESSIONAL CLIENT WITHIN THE RELEVANT NATIONAL IMPLEMENTATION OF ANNEX II OF DIRECTIVE 2014/65/EU (MARKETS IN

FINANCIAL INSTRUMENTS DIRECTIVE).

A LIST OF JURISDICTIONS IN WHICH THE INVESTMENT MANAGER AND/OR THE TRUST HAVE BEEN REGISTERED OR AUTHORIZED (AS APPLICABLE) UNDER ARTICLE 42 OF AIFMD IS AVAILABLE FROM THE INVESTMENT MANAGER ON REQUEST. IF THE INVESTMENT MANAGER HAS NOT BEEN REGISTERED OR APPROVED IN A PARTICULAR EEA MEMBER STATE TO MARKET UNITS, THEN THE TRUST IS NOT BEING MARKETED TO ANY EEA PERSON AT SUCH DATE IN THAT EEA MEMBER STATE. TO THE EXTENT THAT AN AFFILIATE OF THE INVESTMENT MANAGER PROMOTES THE TRUST IN AN EEA MEMBER STATE, THEN SUCH PROMOTION IS BEING UNDERTAKEN FOR AND ON BEHALF OF THE INVESTMENT MANAGER IN SUCH CAPACITY.

Representations by Eligible Investors

References herein to “you” or “your” is to each Eligible Investor in the Issue.

By purchasing, or subscribing to, Units pursuant to the Issue, you are deemed to have undertaken and represented to the Trustee, the Investment Manager and the Placement Agents, and acknowledge and agree as follows:

(1) You are entitled to acquire the Units under the laws of all relevant jurisdictions and that you have all necessary capacity and have obtained all necessary consents, governmental or otherwise and authorisations to enable you to commit to this participation in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Preliminary Placement Document) and will honour such obligations;

(2) You undertake to (i) hold, manage or dispose of any Units that are Allotted to you in accordance with the InvIT Regulations and all other applicable laws; and (ii) to comply with all requirements under applicable law in relation to reporting obligations, if any, in this relation;

(3) You will make all necessary filings, in relation to the Issue and your investment in Units, with appropriate governmental, statutory or regulatory authorities, including the RBI, as may be required, in accordance with applicable law, including in your respective jurisdiction;

(4) You agree to provide on request in a timely manner, and consent to the use and disclosure (including to any taxation or other regulatory authorities) of, any information or documentation in relation to yourself and, if and to the extent required, the direct or indirect beneficial ownership of your Units (if any), as may be necessary for the Trust (or the Trustee and its agents), the Investment Manager and the Placement Agents to comply with any regulatory obligations and/or prevent the withholding of tax or other penalties under FATCA, the CRS or other similar exchange of tax information regimes. You acknowledge and agree that you shall have no claim against the Trust (or the Trustee and its agents), the Investment Manager, any other Parties to the Trust or the Placement Agents, for any losses suffered by you (including in relation to the direct or indirect beneficial ownership of your Units (if any)) as a result of such use or disclosure of such information or documentation to, any relevant regulatory, governmental or statutory authority;

(5) You are aware that the Units have not been, and will not be, registered through a prospectus or offer document under the InvIT Regulations, or under any other law in force in India. This Preliminary Placement Document will be submitted to the Stock Exchanges;

(6) You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by the Trust, the Investment Manager, the Trustee, the Sponsor or their respective agents (“**Presentations**”) with regard to the Trust, the Units or the Issue; or (ii) if you have participated in or attended any Presentations, you understand and acknowledge that the Placement Agents or the Trustee or the Sponsor may not have knowledge of the statements that the Trust, or its agents may have made at such Presentations and are therefore unable to determine whether the information provided to you at such Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the Placement Agents, the Trustee (or its agents) and the Investment Manager or any other Party to the Trust have advised you not to rely in any way on any information that was provided to you at such Presentations and confirm that you have not been provided with any price sensitive information relating to the Trust or the Issue that was not made publicly available by the Trust;

(7) None of the Investment Manager, the Trustee or any other Party to the Trust or any of the Placement Agents or any of their respective shareholders, members, directors, officers, employees, counsel, representatives, agents or affiliates is making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue. None of the Trustee, the Investment Manager, the Placement Agents or any other Party to the Trust or any of their respective shareholders, members, employees, counsel, officers, directors, representatives, agents or affiliates have any duties or responsibilities to you for providing the protection afforded to their clients, or for providing advice in relation to the Issue and are in no way acting in a fiduciary capacity towards you;

(8) Certain statements, other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding the Trust's financial position, business strategy, plans and objectives for future operations, the Investment Objectives are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Trust's present and future business strategies and the environment in which the Trust will operate in the future. You should not place undue reliance on forward-looking statements, which speak only of opinions held as of the date of this Preliminary Placement Document. The Trust, the Trustee, the Investment Manager or any other Party to the Trust and the Placement Agents or any of their respective shareholders, members, directors, officers, employees, counsel, representatives, agents, associates or affiliates assume no responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;

(9) You have been provided a serially numbered copy of the Preliminary Placement Document and will be deemed to have read the Preliminary Placement Document in its entirety, including, in particular, the section entitled "*Risk Factors*" on page 87;

(10) You are aware and understand that the Units are being offered only to Eligible Investors and are not being offered to the general public and the Allotment shall be on a discretionary basis;

(11) You have made, or are deemed to have made, as applicable, the representations provided in the section entitled "*Selling Restrictions*" on page 355;

(12) You (i) are not acquiring or subscribing for the Units as a result of any "directed selling efforts" (as defined in Regulation S) and (ii) are acquiring or subscribing for the Units in an "offshore transaction" as defined in, and in reliance on, Regulation S, and are not an affiliate of the Trust or the Placement Agents or a person acting on behalf of such an affiliate;

(13) You understand and agree that the Units are transferable only in accordance with the restrictions described in the section entitled "*Selling Restrictions*" on page 355, and you warrant that you will comply with such restrictions;

(14) In making your investment decision, you have (i) relied on your own examination of the Trust, the Units and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of the Trust, the Units and the terms of the Issue based solely on the information contained in the Preliminary Placement Document and the Placement Document (iii) consulted your own independent advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws, (iv) relied solely on the information contained in the Preliminary Placement Document and the Placement Document and no other disclosure or representation by the Investment Manager or the Placement Agents or any other party; (v) received all information in the Placement Document that you believe is necessary or appropriate in order to make an investment decision in respect of the Trust and the Units, and (vi) relied upon your own investigation in deciding to invest in the Issue;

(15) You have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Units. You and any accounts for which you are subscribing to the Units, (i) are each able to bear the economic risk of the investment in the Units; (ii) will not, subject to the terms of this Preliminary Placement Document, look to any of the Investment Manager, the Trustee, or the Placement Agents or any of their respective shareholders, members, employees, counsel, officers, directors, representatives, agents or affiliates for all, or part, of any such loss or losses that may be suffered due to your investment in the Units; and (iii) are able to sustain a complete loss on the investment in the Units; (iv) have no need for immediate liquidity with respect to the investment in the Units, and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Units. You acknowledge that an investment in the Units involves a high degree of risk and that the Units are, therefore, a speculative investment. You are seeking to subscribe to the Units in the Issue for your own investment and not with a view to resell or distribute in any manner that could characterise you as an underwriter or similar party in any jurisdiction;

(16) The Trustee, the Investment Manager, the Placement Agents or any other Party to the Trust or any of their respective shareholders, members, directors, officers, employees, counsel, representatives, agents or affiliates have not provided you with any legal, financial or tax advice or otherwise made any representations regarding the tax consequences of the Units (including but not limited to, the Issue and the use of the proceeds of the Issue). You will obtain your own independent legal, financial or tax advice and will not rely on the Investment Manager, the Trustee, the Placement Agents or any other Party to the Trust or any of their respective shareholders, members, employees, counsel, officers, directors, representatives, agents or affiliates when evaluating the tax consequences in relation to the Units (including but not limited to the Issue and the use of the proceeds of the Issue). You waive and agree not to assert any claim against the Placement Agents, the Trustee or the Investment Manager with respect to the tax aspects of the Units or the Issue or as a result of any tax audits by tax authorities, in relation to the Units and the Issue, wherever situated;

(17) You are not the Trustee, or the Valuer or an employee of the Valuer involved in the valuation of the Portfolio Assets or Other Portfolio Entities;

(18) You are aware that (i) we have received the in-principle approval from BSE dated December 5, 2023, and the in-principle approval from NSE dated December 5, 2023, respectively, and (ii) the application for the final listing and trading approvals will be made only after Allotment. There can be no assurance that the final approvals for listing and trading of the Units will be obtained in a timely manner, or at all. The Trust, the Trustee, the Investment Manager or the Sponsor shall not be responsible for any delay or non-receipt of such final approvals (except to the extent prescribed under the InvIT Regulations) or any loss arising from such delay or non-receipt;

(19) You shall not undertake any trade in the Units credited to your demat account until such time that the final listing and trading approvals for the Units have been issued by the Stock Exchanges, subject to compliance with applicable law;

(20) The only information you are entitled to rely on, and on which you have relied, in committing yourself to acquire the Units, shall be contained in this Preliminary Placement Document and the Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Units and that you have neither received nor relied on any other information given or representations, warranties or statements made by the Trustee, the Placement Agents, the Investment Manager, and neither the Trustee, the Placement Agents, the Investment Manager nor any other Party to the Trust will be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty or statement that you have obtained or received;

(21) You understand that the Units to be Allotted in this Issue will, when issued, be credited as fully paid and will rank *pari passu* in all respects with all other Units, including in respect of the right to receive all distributions declared, made or paid in respect of the Units after the Allotment. For details, please see the section entitled "*Distribution*" on page 275;

(22) You are eligible to Bid for, and hold, Units, so Allotted. Further, in the event that you require any approvals, you have procured all the necessary approvals for bidding, acquiring and holding the Units. Your unitholding after the Allotment of the Units shall not exceed the investment level permissible as per any applicable law and regulation;

(23) You agree to indemnify and hold the Trustee, Investment Manager and the Placement Agents and all other Parties to the Trust harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations and warranties in this section;

(24) The Trustee, the Investment Manager, any other Party to the Trust, the Placement Agents, their respective shareholders, members, employees, counsel, offices, directors, representatives, agents or affiliates, will rely on the truth and accuracy of these representations, warranties, acknowledgements and undertakings which are given to the Placement Agents on their own behalf and on behalf of the Trust, the Investment Manager, the Trustee or any other Party to the Trust, and the same are irrevocable;

(25) You are eligible to invest in India and in the Units under applicable law, including the FEMA Rules, and have not been prohibited by SEBI or any other statutory, regulatory or judicial authority from buying, selling or dealing in securities;

(26) You understand that neither the Placement Agents, the Investment Manager, the Trustee nor any other Party to the Trust has any obligation to purchase or subscribe to all, or any part, of the Units purchased by you in the Issue, or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue;

(27) Any dispute arising in connection with the Issue will be governed by, and construed in accordance with, the laws of the Republic of India and the courts at Mumbai shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document or the Placement Document; and

(28) You have made, or are deemed to have made, as applicable, the representations provided in this section and each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times, up to, and including, the Allotment, listing and trading of the Units in the Issue.

Available Information

The Investment Manager agrees to comply with any undertakings given by it from time to time in connection with the Units to the Stock Exchanges and, without prejudice to the generality of foregoing, shall furnish to the Stock Exchanges all such information as the rules of the Stock Exchanges may require in connection with the listing of the Units on such Stock Exchanges.

PRESENTATION OF FINANCIAL DATA AND OTHER INFORMATION

Certain Conventions

In this Preliminary Placement Document, unless otherwise specified or context otherwise requires, references to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to 'India' are to the Republic of India and its territories and possessions and the references herein to 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

Unless stated otherwise, all references to page numbers in this Preliminary Placement Document are to the page numbers of this Preliminary Placement Document.

Financial Data

Unless the context requires otherwise, the financial information in this Preliminary Placement Document in relation to IndiGrid, is derived from the audited Ind AS consolidated financial statements of IndiGrid together with its subsidiaries as of and for the fiscals 2023, 2022, 2021 prepared in accordance with IndAS and the InvIT Regulations, and derived from unaudited interim condensed consolidated financial statements for the half year ended September 30, 2023 prepared in accordance with IndAS 34 and the InvIT Regulations. This Preliminary Placement Document also includes the Ind AS standalone financial statements of IndiGrid as of and for the fiscals 2023, 2022, 2021 prepared in accordance with IndAS and the InvIT Regulations, and unaudited interim condensed standalone financial statements for the half year ended September 30, 2023 prepared in accordance with IndAS 34 and the InvIT Regulations. This Preliminary Placement Documents also includes certain information with respect to the financial statements for the half year ended September 30, 2022, which unless context requires otherwise are derived from a comparative against the unaudited interim condensed consolidated financial statements for the half year ended September 30, 2023 prepared in accordance with IndAS 34 and the InvIT Regulations.

Further, this Preliminary Placement Document includes (i) the Summary Financial Information of IndiGrid derived from the audited standalone financial statement of the Trust as of and for the fiscals 2023, 2022, 2021 prepared in accordance with IndAS and the InvIT Regulations, and unaudited interim condensed standalone financial statements for the half year ended September 30, 2023 prepared in accordance with IndAS 34 and the InvIT Regulations; (ii) the Summary Financial Information of IndiGrid derived from the audited consolidated financial statement of the Trust as of and for the fiscals 2023, 2022, 2021 prepared in accordance with IndAS and the InvIT Regulations, and unaudited interim condensed consolidated financial statements for the half year ended September 30, 2023 prepared in accordance with IndAS 34 and the InvIT Regulations; (ii) the Summary Financial Information of the Investment Manager derived from the standalone financial statement of the investment manager as of and for fiscals 2023, 2022 and 2021 prepared in accordance with Companies Act and IndAS; and (iii) the Summary Financial Information of the Sponsor derived from the audited financial statement of the sponsor as at and for calendar years 2022, 2021 and 2020 prepared in accordance with IFRS.

Financial information for six months period ended September 30, 2022 and September 30, 2023 is not indicative of future operating conditions and are not comparable with annual financial information included in this Preliminary Placement Document.

For further details, please see the sections entitled "*Summary Consolidated Financial Information*", "*Summary Standalone Financial Information*", "*Summary Financial Information of the Sponsor*" and "*Summary Financial Information of the Investment Manager*" on pages 41, 53, 65 and 69, respectively, and "*Financial Statements*" enclosed at *Annexure B*.

This Preliminary Placement Document includes the following financial statements -

a. Ind AS standalone financial statements of IndiGrid as of and for the fiscals 2023, 2022, 2021 prepared in accordance with IndAS and the InvIT Regulations and unaudited interim condensed standalone financial statements for the half year ended September 30, 2023 prepared in accordance with IndAS 34 and the InvIT Regulations;
b. Ind AS consolidated financial statements of IndiGrid as of and for the fiscals 2023, 2022, 2021 prepared in accordance with IndAS and the InvIT Regulations and unaudited interim condensed consolidated financial statements for the half year ended September 30, 2023 prepared in accordance with IndAS 34 and the InvIT Regulations;
c. Consolidated and standalone summary financial information of IndiGrid as of and for the half year ended September 30, 2023 and as of and for the fiscals 2023, 2022 and 2021;
d. Summary financial information derived from the standalone financial statements of the Investment Manager, which was prepared in accordance with Ind AS, as defined in Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended, prescribed under the Section 133 of the Companies Act, as of and for the Fiscals 2023, 2022 and 2021; and
e. Summary financial information derived from the audited consolidated financial statements of the Sponsor which were prepared in accordance with IFRS, as of and for the calendar years ended December 31, 2022, December 31, 2021 and December 31, 2020.

The degree to which the financial information included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, Indian GAAP, IFRS and the InvIT Regulations. Any reliance by persons not familiar with Indian accounting policies and practices and/or IFRS on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited.

The financial year for IndiGrid, the Project Manager and the Investment Manager commences on April 1 and ends on March 31 of the next year and accordingly, all references to a particular financial or fiscal year for each of IndiGrid, the Project Manager and the Investment Manager, unless stated otherwise, are to the 12 months ended on March 31 of that year. The financial year for the Sponsor commences on January 1 and ends on December 31 of that year and accordingly, all references to a particular financial year or fiscal year for the Sponsor, unless stated otherwise, are to the calendar year ended December 31.

In this Preliminary Placement Document, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals and all percentage figures have been rounded off to two decimal places. Certain other operational data, including route length of transmission lines in ckms and the number of years under the term of a TSA or PPA, have been rounded off to whole numbers. Our Statutory Auditors have provided no assurance or services related to any prospective financial information included in this Preliminary Placement Document.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India; and
- "USD" or "US$" are to United States Dollar, the official currency of the United States.

Except otherwise specified, certain numerical information in this Preliminary Placement Document have been presented in "million" units. One million represents 1,000,000 and one billion represents 1,000,000,000.

Unless the context requires otherwise, any percentage amounts, as set forth in this Preliminary Placement Document, have been derived from the summary financial statements of the Sponsor on a consolidated basis and the Investment Manager on a standalone basis, as applicable, and the Consolidated Financial Statements of IndiGrid for the fiscals 2023, 2022 and 2021.

Exchange Rates

This Preliminary Placement Document contains conversion of certain other currency amounts into Indian Rupees. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

The following table provides, for the dates indicated, information with respect to the exchange rate between the Rupee and the US$ (in Rupees per US$):

Currency	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1 US$ to INR	83.06	82.22	75.81	73.50

Source: www.rbi.org.in and www.fbil.org.in
In the event that the relevant date of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Preliminary Placement Document has been obtained or derived from the report entitled "*Market Assessment of India power transmission sector in December, 2023*" issued by CRISIL Market Intelligence & Analytics (the "**CRISIL Report**"), publicly available information as well as industry publications and other sources. For details, please see the section entitled "*Industry Overview*" on page 169.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents and from various sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be based on such information. Although the Investment Manager and the Sponsor believe that the industry and market data used in this Preliminary Placement Document is reliable, it has not been independently verified by the Investment Manager, the Sponsor, the Trustee or the Placement Agents, or any of their affiliates or advisors. The data from these sources may have been re-classified by us in certain cases for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in the section entitled "*Risk Factors*" on page 87. Accordingly, investment decisions should not be based on undue reliance on such information.

The extent to which the market and industry data used in this Preliminary Placement Document is meaningful, depends on the readers' familiarity with, and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of IndiGrid is conducted, and methodologies and assumptions may vary widely among different industry sources.

Disclaimer to the CRISIL Report

Please see below the disclaimer to the CRISIL Report:

"CRISIL Market Intelligence & Analytics (CRISIL MI&A), a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. India Grid Trust will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL MI&A operates independently of, and does not have access to information obtained by CRISIL Ratings Limited,, which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval."

NON-GAAP MEASURES

EBITDA (Earnings before interest, taxes, depreciation, and amortization) and EBITDA as a percentage of total income (together, "**Non-GAAP Measures**"), presented in this Preliminary Placement Document is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with Ind AS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. Other organizations may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, we believe that they are useful to an investor in evaluating us as they are widely used measures to evaluate an organization's operating performance.

TECHNICAL DATA

For the technical information relating to the Portfolio Assets, the technical reports and valuation reports, as the case may be, for each of the Portfolio Assets is available at https://www.indigrid.co.in/documents-manager/. The Valuation Report is also included in **Annexure A** to this Preliminary Placement Document.

MARKET PRICE INFORMATION

In this section, all market price information provided for Fiscal 2023 refers to such information for the period beginning April 1, 2022 until March 31, 2023, Fiscal 2022 refers to such information for the period beginning April 1, 2021 until March 31, 2022 and Fiscal 2021 refers to such information for the period beginning April 1, 2020 until March 31, 2021.

As on the date of this Preliminary Placement Document, 730,979,976 Units are issued, subscribed and are fully paid up. The units have been listed and are available for trading on BSE and NSE.

(i) The following tables set forth the reported high, low and average market prices and the trading volumes of the Units on the Stock Exchanges on the dates on which such high and low prices were recorded and the total trading volumes

a. for Fiscal 2023, Fiscal 2022 and Fiscal 2021 (i.e. the preceding three years);
b. for the period beginning March 26, 2021 (the ex-record date), pursuant to a rights issue of units undertaken by IndiGrid ("**Rights Issue**"), i.e., the period marked by a change in the capital structure of IndiGrid, pursuant to the Rights Issue; and
c. for the period beginning September 21, 2023, pursuant to a preferential issue of units undertaken by IndiGrid ("**Preferential Issue**"), i.e., the period marked by a change in the capital structure of IndiGrid, pursuant to the Preferential Issue.

BSE:

Fiscal Year	High (₹)	Date of high	Number of Units traded on date of high	Total turnover of Units traded on date of high (₹ million)	Low (₹)	Date of low	Number of Units traded on date of low	Total turnover of Units traded on date of low (₹ million)	Average of close price for the fiscal year (₹)	Units traded in the fiscal year	
										Volume	(in ₹ million)
April 1, 2023 to December 4, 2023	141.51	08-05-23	11260	0.16	121.00	30-11-23	102034	12.68	136.29	3860486	52.33
FY 2023	153.88	04-05-22	22573	3.44	128	10-03-2023	81744	10.49	140.71	7542256	1045.81
FY 2022	154.00	31-01-2022	32709	4.92	125.4	27-04-21	125874	15.88	138.89	13967170	1882.50
FY 2021	144.00	31-03-2021	64638	8.95	85.57	13-04-2020	206069	17.81	107.64	31820625	3262.92

(Source: www.bseindia.com)

Period	High (₹)	Date of high	Number of Units traded on date of high	Total turnover of Units traded on date of high (₹ million)	Low (₹)	Date of low	Number of Units traded on date of low	Total turnover of Units traded on date of low (₹ million)	Average price for the fiscal year (₹)	Units traded in the period	
										Volume	(in ₹ million)
September 21, 2023 to December 4, 2023	139.00	03-10-23	10549	1.45	121.00	30-11-23	102034	12.68	134.90	1560688	208.20
April 1, 2023 to Sept 20, 2023	141.51	08-05-23	11260	1.59	132.00	03-04-23	17587	2.32	137.07	2513187	344.51
April 1, 2022 to March 31, 2023	153.88	04-05-22	22573	3.44	128	10-03-2023	81744	10.49	140.71	7542256	1045.81
April 1, 2021 to	154.00	31-01-2022	32709	4.92	125.4	27-04-21	125874	15.88	138.89	13967170	1882.50

Period	High (₹)	Date of high	Number of Units traded on date of high	Total turnover of Units traded on date of high (₹ million)	Low (₹)	Date of low	Number of Units traded on date of low	Total turnover of Units traded on date of low (₹ million)	Average price for the fiscal year (₹)	Units traded in the period	
										Volume	(in ₹ million)
March 31, 2022											
March 26, 2021 to March 31, 2021	144	31-03-2021	64638	8.95	131.79	26-03-2021	74844	10.02	137.69	255150	34.60
April 1, 2020 to March 25, 2021	136.07	04-02-2021	40509	5.50	85.57	13-04-2020	206069	17.81	107.26	31565475	3,228.32

(Source: www.bseindia.com)

Notes:

1. *High, low are based on the daily high and low prices respectively.*
2. *Average prices are based on the daily closing prices.*
3. *In case of two days with the same high or low prices, the date with the higher volume of units has been considered.*
4. *The data disclosed above has resulted in a change in the capital structure of the Trust for the period beginning March 26, 2021 (the ex-record date), pursuant to a rights issue of units undertaken by IndiGrid ("**Rights Issue**"). The Units were allotted on April 22, 2021. The change in capital structure of the Trust was pursuant to a Rights Issue of up to 116,695,404 Units of IndiGrid for cash at a price of Rs. 110 per Unit aggregating to Rs. 12,836.49 million, by way of Final Letter of Offer dated March 23, 2021.*
5. *The data disclosed above has resulted in a change in the capital structure of the Trust for the period beginning September 21, 2023, pursuant to allotment of 3,08,01,491 preferential issue of units undertaken by IndiGrid ("**Preferential Issue**") at a price of Rs. 131.00 per Unit, i.e., the period marked by a change in the capital structure of IndiGrid, pursuant to the Preferential Issue.*

NSE:

Fiscal Year	High (₹)	Date of high	Number of Units traded on date of high	Total turnover of Units traded on date of high (₹ million)	Low (₹)	Date of low	Number of Units traded on date of low	Total turnover of Units traded on date of low (₹ million)	Average price for the fiscal year (₹)	Units traded in the fiscal year	
										Volume	(in ₹ million)
April 1, 2023 to December 4, 2023	142.30	30-06-23	555593	76.03	127.95	4-12-23	608550	78.27	134.25	14869868	1985.80
FY 2023	153.90	04-05-2022	192193	29.27	127.99	13-03-2023	425774	54.84	140.66	63704638	8866.96
FY 2022	153.00	20-01-2022	160121	24.33	125.23	28-04-2021	445662	56.06	138.82	65845887	9054.13
FY 2021	145.20	31-03-2021	522207	72.63	88.05	01-04-2020	78246	7.08	111.11	206139087	21682.91

(Source: www.nseindia.com)

NSE:

Period	High (₹)	Date of high	Number of Units traded on date of high	Total turnover of Units traded on date of high (₹ million)	Low (₹)	Date of low	Number of Units traded on date of low	Total turnover of Units traded on date of low (₹ million)	Average price for the fiscal year (₹)	Units traded in the period	
										Volume	(in ₹ million)
September 21, 2023 to December 4, 2023	138.65	26-09-23	353353	48.74	127.95	4-12-23	608550	78.27	134.25	14869868	1985.80
April 1, 2023 to Sept 20, 2023	142.30	30-06-23	555593	760.31	131.50	03-04-23	222476	294.77	137.07	35550301	48795.35
April 1, 2022 to March 31, 2023	153.90	04-05-2022	192193	29.27	127.99	13-03-2023	425774	54.84	140.66	63704638	8866.96
April 1, 2021 to March 31, 2022	153.00	20-01-2022	160121	24.33	125.23	28-04-2021	445662	56.06	138.82	65845887	9054.13
March 26, 2021 to March 31, 2021	145.2	31-03-2021	522207	72.63	130.00	26-03-2021	455868	60.78	137.61	1406727	191.56
April 1, 2020 to March 25, 2021	140.79	04-02-2021	413343	57.88	88.05	01-04-2020	78246	7.08	110.78	20,47,32,360	21,491.35

(Source: www.nseindia.com)

Notes:

1. *High, low are based on the daily high and low prices respectively.*
2. *Average prices are based on the daily closing prices.*
3. *In case of two days with the same high or low prices, the date with the higher volume of units has been considered.*
4. *The data disclosed above has resulted in a change in the capital structure of the Trust for the period beginning March 26, 2021 (the ex-record date), pursuant to the Rights Issue. The Units were allotted on April 22, 2021. The change in capital structure of the Trust was pursuant to a Rights Issue of up to 116,695,404 Units of IndiGrid for cash at a price of Rs. 110 per Unit aggregating to Rs. 12,836.49 million, by way of Final Letter of Offer dated March 23, 2021.*
5. *The data disclosed above has resulted in a change in the capital structure of the Trust for the period beginning September 21, 2023, pursuant to allotment of 3,08,01,491 preferential issue of units undertaken by IndiGrid ("**Preferential Issue**") at a price of Rs. 131.00 per Unit, i.e., the period marked by a change in the capital structure of IndiGrid, pursuant to the Preferential Issue.*

(ii) The following tables set forth the reported high, low and average market prices and the trading volumes of the Units on the Stock Exchanges on the dates on which such high and low prices were recorded during each of the last six months:

BSE:

Month	High (₹)	Date of high	Number of Units traded on date of high	Total turnover of Units traded on date of high (in ₹ million)	Low (₹)	Date of low	Number of Units traded on date of low	Total turnover of Units traded on date of low (in ₹ million)	Average price for the month (₹)	Units traded in the month	
										Volume	(in ₹ million)
June 2023	141.10	30-06-2023	32371	4.44	134..10	13-06-2023	20439	2.75	135.76	473941	64.45

Month	High (₹)	Date of high	Number of Units traded on date of high	Total turnover of Units traded on date of high (in ₹ million)	Low (₹)	Date of low	Number of Units traded on date of low	Total turnover of Units traded on date of low (in ₹ million)	Average price for the month (₹)	Units traded in the month	
										Volume	(in ₹ million)
July 2023	140.00	10-07-2023	30227	41.41	135.51	10-07-2023	17678	24.09	137.29	737866	1014.30
August 2023	139.00	01-08-2023	61334	84.89	134.90	14-08-2023	81680	110.71	136.33	506522	690.34
September 2023	138.50	29-09-2023	5909	0.81	135.11	12-09-2023	9697	1.32	137.42	291046	39.98
October 2023	139.00	03-10-2023	10549	1.45	133.51	23-10-2023	15660	2.11	135.40	418114	56.67
November 2023	138.50	08-11-23	10840	1.49	121.00	30-11-23	102034	12.68	132.69	767102	100.46

(Source: www.bseindia.com)

NSE:

Month	High (₹)	Date of high	Number of Units traded on date of high	Total turnover of Units traded on date of high (in ₹ million)	Low (₹)	Date of low	Number of Units traded on date of low	Total turnover of Units traded on date of low (₹ million)	Average price for the month (₹)	Units traded in the month	
										Volume	(in ₹ million)
June 2023	142.30	30-06-23	555593	76.03	134.11	13-06-2023	354889	47.82	135.73	5339669	724.43
July 2023	139.40	03-07-2023	212042	29.06	135.55	10-07-2023	382214	52.05	137.36	7327921	1007.11
August 2023	139.00	02-08-2023	507043	70.38	134.82	07-08-2023	470280	63.58	136.31	7238786	988.79
September 2023	138.65	26-09-2023	353353	48.74	135.70	12-09-2023	637089	86.75	137.37	5001724	686.39
October 2023	138.35	03-10-2023	493509	68.08	133.50	26-10-2023	315718	42.38	135.36	5854138	792.91
November 2023	137.80	08-11-23	153312	21.02	128.69	30-11-23	531203	68.78	132.53	6567749	864.98

(Source: www. nseindia.com)

Notes:

1. *High, low are based on the daily High and Low prices respectively.*
2. *Average prices are based on the daily closing prices.*
3. *In case of two days with the same high or low prices, the date with the higher volume of units has been considered*.
4. *The data disclosed above has not resulted in any change in the capital structure of the Trust.*

The market price on the Stock Exchanges on May 15, 2023, the first working day following the approval of the Board of the Investment Manager for the Issue, was ₹ 140.20 per unit in NSE and ₹ 139.97 per unit in BSE.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute "forward-looking statements". Bidders can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "can", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "propose", "project", "pursue", "seek to", "shall", "should", "will", "would", or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of IndiGrid are also forward-looking statements and accordingly, should be read together with such assumptions and notes thereto. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding IndiGrid's expected financial condition, results of operations and cash flows, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to IndiGrid's business strategy, planned projects, acquisition or investment revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts. Our Statutory Auditors have provided no assurance or services related to any prospective financial information included in this Preliminary Placement Document.

The Valuation Report included in this Preliminary Placement Document, is based on certain projections and accordingly, should be read together with assumptions and notes thereto. For further details, please see "*Valuation Report*" attached as Annexure A.

Actual results may differ materially from those suggested by the forward-looking statements due to certain known or unknown risks or uncertainties associated with the Investment Manager's expectations with respect to, but not limited to, the actual growth in the power transmission and solar energy sectors, the Investment Manager's ability to successfully implement the strategy, growth and expansion plans, cash flow projections, the outcome of any legal, regulatory or tax changes, the future impact of new accounting standards, regulatory changes pertaining to the power transmission and solar energy sectors in India and our ability to respond to them, and general economic and political conditions in India which have an impact on our business activities or investments, changes in competition and the Project Manager's ability to operate and maintain the Portfolio Assets and successfully implement any technological changes. By their nature, certain of the market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net income could materially differ from those that have been estimated.

Factors that could cause actual results, performance or achievements of IndiGrid to differ materially include, but are not limited to, those discussed in the sections entitled "*Risk Factors*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis by the Directors of the Investment Manager of Factors affecting the Financial Condition, Results of Operations and Cash Flows*", on pages 87, 169, 211 and 278, respectively. Some of the factors that could cause IndiGrid's actual results, performance or achievements to differ materially from those in the forward-looking statements and financial information include, but are not limited to, the following:

- We may be unable to operate and maintain our power transmission projects to achieve the prescribed availability.
- We may lose tariff revenues or fail to receive payments and incur significant repair and replacement costs in the event our power transmission projects or solar projects are rendered inoperable due to force majeure events.
- If environmental conditions at our Solar Assets are unfavourable, our electricity production, and therefore our revenue from operations, may be substantially below expectations
- Most of our revenues are derived from tariff payments received from LTTCs and a delay in payments of PoC charges to the CTU by users and customers may adversely affect our cash flows and results of operations.
- As the terms and conditions, including the tariff structure under our TSAs are generally fixed, we may not be able to offset increases in costs, including operation and maintenance costs, solely from tariffs payable to us under the TSAs;
- We may be unable to operate and maintain the VRET Assets in a satisfactory manner or at all;
- The Solar Assets have entered into Power Purchase Agreements which contain certain onerous provisions and any failure to comply with such agreements could result in adverse consequences including penalties;
- Future acquisitions and proposed business strategies may expose us to risks and have an adverse impact on our operations;
- The ability of our Project Manager to ensure that our power transmission systems and solar projects are fully operational at all times may be subject to the limitations of the power grid, existing equipment or operational risks outside of their control; and

- We have limited flexibility in negotiating tariffs with the counter-parties to our Power Purchase Agreements.

Forward-looking statements reflect current views as of the date of this Preliminary Placement Document and are not a guarantee of future performance or returns to investors. These statements are based on certain beliefs and assumptions, which in turn are based on currently available information. Although the Sponsor and Investment Manager believe that the expectations and the assumptions upon which such forward-looking statements are based, are reasonable at this time, they cannot assure Bidders that such expectations will prove to be correct or accurate. In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document and none of the Investment Manager, the Sponsor or the Placement Agents undertake any obligation to update or revise any of them, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of the underlying assumptions prove to be incorrect, the actual results of operations or financial condition of IndiGrid could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to IndiGrid, the Investment Manager or the Sponsor are expressly qualified in their entirety by reference to these cautionary statements. Eligible Investors are cautioned not to regard such statements to be a guarantee or assurance of IndiGrid's future performance, returns to investors or the trading price of the Units.

THE ISSUE

The following is a general summary of the terms of this Issue which is in compliance with InvIT Regulations and the SEBI Institutional Placement Guidelines. This summary should be read in conjunction with, and is qualified in its entirety by, the detailed information appearing elsewhere in this Preliminary Placement Document:

Issue	Issue of [●] Units by way of an institutional placement to Eligible Investors, representing an undivided beneficial interest in IndiGrid by way of an institutional placement to Eligible Investors, aggregating up to ₹ [●] million by IndiGrid
Floor Price	₹ 129.55
Issue Price	₹ [●]
Allotment and Trading	The minimum allotment lot and trading lot for Units Allotted pursuant to the Issue will be equivalent to the minimum allotment lot and trading lot as applicable to the Units of IndiGrid under provisions of the InvIT Regulations and the SEBI Institutional Placement Guidelines. The current trading lot for Units of IndiGrid is one Unit.
Issue/Bid Opening Date	December 5, 2023
Issue/Bid Closing Date	[●]
Sponsor	Esoteric II Pte. Ltd.
Trustee	Axis Trustee Services Limited
Investment Manager	IndiGrid Investment Managers Limited
Project Manager	IndiGrid Limited
Eligible Investors	Institutional Investors subject to applicable law
Authority for this Issue	This Issue was authorised, and approved by the board of directors of the Investment Manager on May 12, 2023 and by the Unitholders pursuant to resolutions dated June 6, 2023. The Unitholders in their resolution dated June 6, 2023, granted approval to raise further unit capital of up to ₹ 15,000 million. The Trust undertook a preferential issue of Units on September 21, 2023 amounting to ₹ 4,035 million.
Tenure of IndiGrid	IndiGrid shall remain in force perpetually until it is dissolved or terminated in accordance with the Amended and Restated Trust Deed. For details, please see the section entitled "*Parties to IndiGrid*" on page 131
Units issued and outstanding as of the date of this Preliminary Placement Document	730,979,976 Units.
Units issued and outstanding immediately after this Issue	[●] Units.
Sponsor and Sponsor Group Units as on the date of this Preliminary Placement Document	Please see the section entitled "*Information Concerning the Units*" on page 264.
Distribution	Please see the section entitled "*Distribution*" on page 275.
Use of Proceeds	Please see the section entitled "*Use of Proceeds*" on page 267
Listing	The Units to be Allotted pursuant to the Issue are proposed to be listed on NSE and BSE. The Trust has received the in-principle approvals from NSE and BSE pursuant to their letters dated December 5, 2023, for the listing of such Units. The Investment Manager shall apply to NSE and BSE for the final listing and trading approvals, after the Allotment and after the credit of the Units to the beneficiary accounts with the Depository Participants and the Units shall be listed within two working days from the date of Allotment. The Trust shall also file the Placement Document, along with the allotment report, containing the details of the allottees and allotment made, with SEBI within seven days of Allotment.
Closing Date	The date on which Allotment of the Units pursuant to this Issue shall be made, being on or about [●]
Ranking	The Units being issued shall rank *pari passu* in all respects with the existing Units, including rights in respect of distribution from the date of Allotment. Please see the section entitled "*Rights of Unitholders*" on page 340
Lock-in and Rights of Unitholders	For details, please see the sections entitled "*Information Concerning the Units*" and "*Rights of Unitholders*" on pages 264 and 340, respectively
Risk Factors	Prior to making an investment decision, Bidders should consider carefully the matters discussed in the section entitled "*Risk Factors*" on page 87
Taxation	For details of statement of possible tax benefits available to the Trust and its Unitholders under the applicable laws in India, please see the section entitled "*Taxation*" on page 359
ISIN	INE219X23014

The Units, upon Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Except in accordance with the InvIT Regulations, no Unitholder shall enjoy superior voting or any other rights over another Unitholder. Further, there shall not be multiple classes of Units, except as permitted under the InvIT Regulations.

Units of the same class which are proposed to be Allotted have been listed on the Stock Exchanges for a period of at least six months prior to the date of issue of notice to the Unitholders for convening the meeting to approve the Issue.

The Trust is in compliance with all the conditions for continuous listing and disclosure obligations under the InvIT Regulations and the circulars issued thereunder.

None of the respective promoters or partners or directors of the Sponsor, the Investment Manager or Trustee is a fugitive economic offender declared under section 12 of the Fugitive Economic Offenders Act, 2018.

For further details in relation to this Issue, including the Floor Price and Issue Price and method of application, please see the section entitled "*Issue Information*" on page 343.

Use of Proceeds

Subject to compliance with applicable law, the Net Proceeds will be utilised, at the discretion of the Investment Manager and the Trustee, towards the following objects:

(i) Refinancing or repayment of borrowings availed by IndiGrid; and

(ii) General purposes.

For further details, please see the section entitled *"Use of Proceeds"* on page 267.

OVERVIEW OF INDIGRID

The following overview is qualified in its entirety by, and is subject to, the more detailed information contained in, or referred to elsewhere, in this Preliminary Placement Document. Statements contained in this summary that are not historical facts may be forward-looking statements. Such statements are subject to certain risks, uncertainties and assumptions that could cause actual results of IndiGrid to differ materially from those forecasted or projected in this Preliminary Placement Document. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction of the accuracy of the underlying assumptions by IndiGrid, the Parties to IndiGrid or the Placement Agents or any other person or that these results will be achieved or are likely to be achieved. Investment in Units involves risks. Bidders are advised not to rely solely on this overview and should read this Preliminary Placement Document in its entirety and, in particular, the section entitled "Risk Factors" on page 87.

Structure and description of IndiGrid

SPTL settled IndiGrid on October 21, 2016, at New Delhi, as an irrevocable trust, pursuant to the Original Trust Deed, under the provisions of the Indian Trusts Act, 1882. IndiGrid was registered with SEBI on November 28, 2016 as an infrastructure investment trust under Regulation 3(1) of the InvIT Regulations having registration number IN/InvIT/16-17/0005. SPTL settled IndiGrid for an initial sum of ₹ 10,000.

SPTL was declassified as a sponsor of IndiGrid, with effect from July 6, 2023 and accordingly, the Sponsor is the sole sponsor of IndiGrid.

Further, IIML has been appointed as the Investment Manager for all the InvIT Assets (apart from KBPL), and IGL has been appointed as the Project Manager to IndiGrid for all Portfolio Assets. For further details, please see the section entitled "*Parties to IndiGrid*" and "*Description of Portfolio Assets – IndiGrid Limited*" on pages 131 and 27.

Investment Objectives

In terms of the Amended and Restated Trust Deed, the investment objectives and strategy of IndiGrid is to make investments as an infrastructure investment trust as permissible in terms of the InvIT Regulations, in such special purpose vehicles or holding entities, infrastructure projects, schemes, arrangements or securities in India as permitted under the InvIT Regulations, charter documents of respective undertaking and other applicable laws. Further, the investment objectives and strategy of IndiGrid includes investment in generation and/or transmission of renewable energy generated through hydel, solar, wind, biomass, geothermal, tidal, wave and other renewable natural resources.

Any investment by IndiGrid shall only be in infrastructure special purpose vehicles or infrastructure projects or securities of Indian companies in accordance with the provisions of the InvIT Regulations, the investment objectives set out in the Amended and Restated Trust Deed and the investment strategy as detailed in the section entitled "*Our Business*" on page 211. Investments by IndiGrid shall be in compliance with the provisions of the InvIT Regulations.

As on the date of this Preliminary Placement Document, IndiGrid is not permitted to undertake any activity which is prohibited under the InvIT Regulations.

Subject to the restrictions prescribed under, and requirements of, applicable law, IndiGrid may not carry on any other principal activity.

Fee and expenses

Annual Expenses

The expenses in relation to IndiGrid, other than such expenses incurred in relation to operations of Portfolio Assets, broadly include fee payable to: (i) the Trustee; (ii) the Investment Manager; (iii) the Project Manager; (iv) the Auditor; (v) the Valuer; and (iv) other intermediaries, advisors and consultants.

Further, in relation to the fees payable to the Trustee, Investment Manager and Project Manager, please see below.

Fee to the Trustee

The Trustee is entitled to an annual fee of ₹ 2.00 million and any out of pocket expenses, exclusive of any taxes, subject to revision every two years from the date of the Amended and Restated Trust Deed and subject to a cap of 10% of the annual fee. The fee paid to the Trustee for the Fiscal 2023 was ₹ 2.00 million along with the required reimbursements and GST amounts.

Fee to the Investment Manager

For all Portfolio Assets except PrKTCL, the Investment Manager is entitled to a fee aggregating to 0.25% of AUM (as defined under the Investment Management Agreement) of the Portfolio Assets, subject to the condition that the fees payable shall not exceed 1.75% of the difference between revenue from operations and operating expenses (other than the fee of the Investment Manager) of each Portfolio Asset, per annum. For PrKTCL, the Investment Manager is entitled to a fee aggregating to 0.25% of the AUM of PrKTCL subject to the condition that the fees payable shall not exceed 1.56% of the difference between revenue from operations and operating expenses (other than the fee of the Investment Manager) of PrKTCL, per annum. For this purpose, the operating expenses do not include depreciation, finance cost and income tax expense.

This fee is exclusive of all taxes. For each Fiscal, such fee shall be payable on a quarterly basis, as applicable, based on actuals, within a period of 15 days from the date of declaration of financial results by IndiGrid (being the period ended March 31, June 30, September 30 and December 31, respectively, of each financial year) or in the case of PrKTCL, in the mode and manner as may be agreed between PrKTCL and the Investment Manager. The fee paid to the Investment Manager for Fiscal 2023 amounted to ₹ 450.30 million.

IndiGrid is also required to pay to the Investment Manager an amount equal to 0.5% of the enterprise value of assets acquired in a particular financial year as acquisition fee, subject to achieving distribution per unit guidance of that particular financial year, where the enterprise value of an asset shall be as per the enterprise value as disclosed in filings made with stock exchanges for that particular asset. A majority of such acquisition fee is required to be utilized to pay incentive to the Investment Manager's employees. The acquisition fee shall be payable within 15 days from the board meeting of the Investment Manager for the fourth quarter of the relevant financial year.

Fee to the Project Manager

The Project Manager is entitled to a fee amounting to 7% of the gross expenditure incurred by each Portfolio Asset in relation to operation and maintenance costs, per annum. IndiGrid, or any or all of the Portfolio Assets, as the case may be, shall bear any GST/ service tax and other applicable taxes payable on the fee and any other payments made to the Project Manager in terms of the Project Implementation and Management Agreement, provided that the Project Manager shall be liable to pay income tax on such fee and payments. For each Financial Year, the fee shall be payable on a quarterly basis, based on actuals, within a period of 15 days from the date of declaration of financial results by IndiGrid (being the periods ending March 30 and September 30, respectively, of each financial year). The fee paid to the Project Manager for Fiscal 2023 amounted to ₹ 1.42 million.

Issue Expenses*

The total expenses of this Issue are estimated to be approximately ₹ [●] million. For details in relation to the expenses for this Issue, please see the section entitled "*Use of Proceeds*" on page 267.

We propose to pay an offer management fee to Axis Capital Limited ("Axis Capital**") from the net Proceeds. While Axis Capital is an affiliate of the Trustee, it is not an associate of the Trust in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. There is no conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations and current disclosure is being made to ensure disclosure of all transactions with affiliate of the Trustee. The current disclosure is being made to ensure disclosure of all transactions with affiliate of the Trustee.*

Details of credit ratings

IndiGrid has been assigned 'CRISIL AAA/Stable' ratings for its ₹ 44,200 million debt securities and bank loan facilities, which was reaffirmed on October 26, 2023 by CRISIL Ratings Limited. IndiGrid has been assigned a rating of ICRA [AAA] (Stable) for its ₹ 60,400 million debt securities, ₹ 500 million unallocated facilities, ₹ 100 million long-term working capital facilities and ₹ 9,500 million term loans on October 16, 2023 by ICRA. Further, IndiGrid has been assigned a short-term rating of [ICRA]A1+ for its commercial paper programme, fund-based working capital facilities and non-fund based working capital facilities by ICRA. ICRA has assigned IndiGrid an issuer rating of [ICRA] AAA (Stable).

India Ratings & Research Private Limited ("**India Ratings**") has assigned 'IND AAA/Stable' for proposed non-convertible debentures on August 14, 2023. Further, India Ratings has affirmed 'IND AAA/Stable' rating for the long-term senior debt, non-convertible debentures and bank loan of IndiGrid, and IND A1+ for the commercial papers of IndiGrid.

The rationales for the ratings are available on websites of the respective rating agencies and on the IndiGrid website at: https://www.indigrid.co.in/investor/credit-rating/.

DESCRIPTION OF PORTFOLIO ASSETS

Details of Portfolio Assets

IndiGrid's assets comprise (i) IGL, IGL1 and IGL2, (ii) BDTCL, JTCL, RTCL, PKTCL and MTL, which are held by IGL; (iii) NTL (NRSS) and OGPTL, which are held by IGL1 and IGL2, respectively; (iv) Kallam (KLMTL), which is held by IGL1 (70%) and IGL2 (30%); and (v) PTCL, ENICL, GPTL, JKTPL, PrKTCL, NER, IGL Solar I, IGL Solar II, RSTCPL, KTL, GGEPL, GSPPL, Solar Edge, TKSPL, TNSPEPL, UMD, TRSPL, PLG (held indirectly by IGT), TSET (held indirectly by IGT), TSEC, TSEP, TSEN, TSEG, TSESPL (held indirectly by IGT) and USUPL which are held by IndiGrid. The details of the Portfolio Assets are provided below:

IndiGrid Limited

1. ***IndiGrid Limited***

IGL was incorporated on March 30, 2010 under the Companies Act, 1956. The name of the company was changed from Sterlite Grid 1 Limited to IndiGrid Limited and a new certificate of incorporation was issued by the Registrar of Companies, Maharashtra at Pune on June 22, 2020. Its registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Santacruz East, Mumbai 400 098.

Capital structure of IGL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis	Number of preference shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	17,673,250	27,066,750
Issued, subscribed and paid-up capital	17,673,250*	27,062,475

**99% of the equity shares of IGL have been pledged by IGT in favour of lenders of IndiGrid.*

Pursuant to the Securities Purchase Agreement, IndiGrid (together with its nominees) holds 100% of the issued, subscribed and paid-up share capital of IGL as on the date of this Preliminary Placement Document.

2. ***Bhopal Dhule Transmission Company Limited***

BDTCL was incorporated on September 8, 2009 under the Companies Act, 1956 as a special purpose vehicle. Its registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Santacruz East, Mumbai 400 098.

Capital structure of BDTCL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	2,000,000
Issued, subscribed and paid-up capital	600,000*

**99% of the equity shares of BDTCL have been pledged by IGL in favour of lenders of IndiGrid.*

Pursuant to the Securities Purchase Agreement, IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of BDTCL as on the date of this Preliminary Placement Document.

3. ***Jabalpur Transmission Company Limited***

JTCL was incorporated on September 8, 2009 under the Companies Act, 1956 as a special purpose vehicle. Its registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Santacruz East, Mumbai 400 098.

Capital structure of JTCL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	2,000,000
Issued, subscribed and paid-up capital	550,000*

**99.89% of the equity shares of JTCL have been pledged by IGL in favour of lenders of IndiGrid.*

Pursuant to the Securities Purchase Agreement, IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of JTCL as on the date of this Preliminary Placement Document.

4. ***Maheshwaram Transmission Limited***

MTL was incorporated on August 14, 2014 under the Companies Act, 2013. Its registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Santacruz East, Mumbai 400 098.

Capital structure of MTL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	1,000,000
Issued, subscribed and paid-up capital	470,000*

** 51% and 48% of the equity shares of MTL have been pledged by IGL2 and IGL respectively in favour of lenders of IndiGrid.*

Pursuant to the MTL Share Purchase Agreement, IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of MTL as on the date of this Preliminary Placement Document.

5. ***RAPP Transmission Company Limited***

RTCL was incorporated on December 20, 2012 under the Companies Act, 1956. Its registered office is Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Santacruz East, Mumbai 400 098.

Capital structure of RTCL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	5,000,000
Issued, subscribed and paid-up capital	4,771,110*

** 73.99% and 26% of the equity shares of RTCL have been pledged by IGL and IGL1 respectively in favour of lenders of IndiGrid.*

Pursuant to the RTCL Share Purchase Agreement, IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of RTCL as on the date of this Preliminary Placement Document.

6. ***Purulia & Kharagpur Transmission Company Limited***

PKTCL was incorporated on December 15, 2012 under the Companies Act, 1956. Its registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Santacruz East, Mumbai 400 098.

Capital structure of PKTCL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	7,000,000
Issued, subscribed and paid-up capital	6,754,300*

** 99.99% of the equity shares of PKTCL have been pledged by IGL in favour of lenders of IndiGrid.*

Pursuant to the PKTCL Share Purchase Agreement, IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of PKTCL as on the date of this Preliminary Placement Document.

IndiGrid 1 Limited

7. ***IndiGrid 1 Limited***

IGL1 was incorporated on May 11, 2005 under the Companies Act, 1956. The name of Sterlite Grid 2 Limited was changed to IndiGrid 1 Limited and a new certificate of incorporation was issued by the Registrar of Companies, Maharashtra at Mumbai on July 31, 2020. Its registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Santacruz East, Mumbai 400 098.

Capital structure of IGL1

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	98,337,716
Issued, subscribed and paid-up capital	94,424,672*

**99% of the equity shares of IGL1 have been pledged by IndiGrid in favour of lenders of IndiGrid.*

Pursuant to the NTL Share Purchase Agreement, IndiGrid holds 100% of the issued, subscribed and paid-up share capital of IGL1 as on the date of this Preliminary Placement Document.

8. ***NRSS XXIX Transmission Limited***

NTL was incorporated on July 29, 2013 under the Companies Act, 2013. Its registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Santacruz East, Mumbai 400 098.

Capital structure of NTL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	25,000,000
Issued, subscribed and paid-up capital	21,387,144*

**99.99% of the equity shares of NTL have been pledged by IGL1 in favour of lenders of IndiGrid.*

Pursuant to the NTL Share Purchase Agreement, IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of NTL as on the date of this Preliminary Placement Document.

IndiGrid 2 Limited

9. ***IndiGrid 2 Limited***

IGL2 was originally incorporated on August 14, 2014 under the Companies Act, 2013 as Sterlite Grid 3 Limited. Subsequently, the name of Sterlite Grid 3 Limited was changed to IndiGrid 2 Limited and a new certificate of incorporation was issued by the Registrar of Companies, Maharashtra at Mumbai on July 31, 2020. Its registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Santacruz East, Mumbai 400 098.

Capital structure of IGL2

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	28,133,334
Issued, subscribed and paid-up capital	26,050,000*

**99% of the equity shares of IGL2 have been pledged by IndiGrid in favour of lenders of IndiGrid.*

Pursuant to the OGPTL Share Purchase Agreement, IndiGrid holds 100% of the issued, subscribed and paid-up share capital of IGL2 as on the date of this Preliminary Placement Document.

10. ***Odisha Generation Phase - II Transmission Limited***

OGPTL was incorporated on April 17, 2015 under the Companies Act, 2013. Its registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Santacruz East, Mumbai 400 098.

Capital structure of OGPTL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	1,500,000
Issued, subscribed and paid-up capital	1,403,510*

#99% of the equity shares of OGPTL have been pledged by IGL2 in favour of lenders of IndiGrid

Pursuant to the OGPTL Share Purchase Agreement, IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of OGPTL as on the date of this Preliminary Placement Document.

11. ***Kallam Transmission Limited***

Kallam was incorporated on May 28, 2020 under the Companies Act, 2013. Its registered office is situated at Office No. 202, F-6, Lotus Tower Vijaya Block, Laxmi Nagar, Delhi- 110092.

Capital structure of Kallam

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	75,050,000
Issued, subscribed and paid-up capital	50,000*

**69% and 30% of the equity shares of Kallam have been pledged by IGL1 and IGL2 respectively in favour of lenders of IndiGrid.*

Pursuant to the Kallam Share Purchase Agreement, IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of Kallam as on the date of this Preliminary Placement Document.

IndiGrid

12. ***Patran Transmission Company Limited***

PTCL was incorporated on December 19, 2012 under the Companies Act, 1956. Its registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Santacruz East, Mumbai 400 098.

Capital structure of PTCL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	65,000,000
Issued, subscribed and paid-up capital	50,000,000*

** 99.99% of the equity shares of PTCL have been pledged by IndiGrid in favour of lenders of IndiGrid.*

Pursuant to the PTCL Share Purchase Agreement, IndiGrid holds 100% of the issued, subscribed and paid-up share capital of PTCL, as on the date of this Preliminary Placement Document. PTCL has filed an application dated November 8, 2023 with the Registrar of Companies, Maharashtra, for conversion into a private limited company.

13. ***East – North Interconnection Company Limited***

ENICL was incorporated on February 1, 2007 under the Companies Act, 1956. Its registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Santacruz East, Mumbai 400 098.

Capital structure of ENICL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis	Number of preference shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	1,050,000	1,000,000
Issued, subscribed and paid-up capital	1,050,000*	NIL

**99% of the equity shares of ENICL have been pledged by IndiGrid in favour of lenders of IndiGrid.*

Pursuant to the ENICL Share Purchase Agreement, IndiGrid holds 100% of the issued, subscribed and paid-up share capital of ENICL as on the date of this Preliminary Placement Document.

14. ***Gurgaon – Palwal Transmission Limited***

GPTL was incorporated on October 26, 2015 under the Companies Act, 2013. Its registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Santacruz East, Mumbai 400 098.

Capital structure of GPTL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	800,000
Issued, subscribed and paid-up capital	688,600*

**51% and 48% of the equity shares of GPTL have been pledged by Sterlite Power Transmission Limited and IndiGrid in favour of lenders of IndiGrid*

Pursuant to the GPTL Share Purchase Agreement, IndiGrid holds 49% of the issued, subscribed and paid-up share capital of GPTL (with 100% economic ownership) as on the date of this Preliminary Placement Document. The Trustee (on behalf of and acting in its capacity as trustee to, the Trust), the Investment Manager, GPTL and SGL4 (SGL4 was later merged into SPTL) have entered into a shareholders' agreement dated August 28, 2020 setting out the *inter-se* rights of the Trust and SPTL in GPTL, including a mechanism for resolution of disputes between the Trust and SPTL.

15. ***Jhajjar KT Transco Private Limited***

JKTPL was incorporated on May 19, 2010 under the Companies Act, 1956. Its registered office is situated at 101, Part III, GIDC Estate, Sector 28, Gandhinagar 382 028, Gujarat.

Capital structure of JKTPL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	23,000,000
Issued, subscribed and paid-up capital	22,657,143*

**99% of the equity shares of JKTPL have been pledged by IndiGrid in favour of lenders of IndiGrid.*

Pursuant to the JKTPL Share Purchase Agreement, IndiGrid holds 100% of the issued, subscribed and paid-up share capital of JKTPL as on the date of this Preliminary Placement Document. JKTPL has filed an application dated November 20, 2023, with the Registrar of Companies, Gujarat, for approval to shift its registered office to Maharashtra.

16. ***Parbati Koldam Transmission Company Limited***

PrKTCL was originally incorporated as Bina Dehgam Transmission Company Limited on September 2, 2002 under the Companies Act, 1956. Subsequently, its name was changed from Bina Dehgam Transmission Company Limited to Parbati Koldam Transmission Company Limited and a fresh certificate of incorporation was issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana at New Delhi on December 13, 2005. Further, the Regional Director by an order dated January 31, 2022, approved shifting of the registered office to Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Santacruz East, Mumbai 400 098.

Capital structure of PrKTCL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	331,000,000
Issued, subscribed and paid-up capital	272,837,000*

**73% of the equity shares of PrKTCL have been pledged by IndiGrid in favour of lenders of IndiGrid.*

Pursuant to the PrKTCL Share Purchase Agreement, IndiGrid holds 74% of the issued, subscribed and paid-up share capital of PrKTCL as on the date of this Preliminary Placement Document.

17. ***NER-II Transmission Limited***

NER was incorporated on April 21, 2015 under the Companies Act, 2013. Its registered office is situated at Office No. 202, F-6, Lotus Tower Vijaya Block, Laxmi Nagar, Delhi- 110092.

Capital structure of NER

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	3,000,000
Issued, subscribed and paid-up capital	2,322,420*

**51% and 48.99% of the equity shares of NER have been pledged by Sterlite Power Transmission Limited and IndiGrid in favour of lenders of IndiGrid.*

Pursuant to the NER Share Purchase Agreement, IndiGrid holds 49% of the issued, subscribed and paid-up share capital of NER (with 100% economic ownership) as on the date of this Preliminary Placement Document. The Trustee (on behalf of and acting in its capacity as trustee to, the Trust), the Investment Manager, NER and SGL4 (SGL4 was later merged into SPTL) have entered into a shareholders' agreement dated March 25, 2021 setting out the *inter-se* rights of the Trust and SPTL in NER, including a mechanism for resolution of disputes between the Trust and SPTL.

18. ***IndiGrid Solar-I (AP) Private Limited***

IGL Solar I was incorporated on July 14, 2016 under the Companies Act, 2013. The name of the company was changed from FRV Andhra Pradesh Solar Farm-I Private Limited to IndiGrid Solar-I (AP) Private Limited and a new certificate of incorporation was issued by the Registrar of Companies, Delhi on September 16, 2021. Its registered office is situated at Office No. 202, F-6, Lotus Tower Vijaya Block, Laxmi Nagar, Delhi- 110092.

Capital structure of IGL Solar I

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	12,000,000
Issued, subscribed and paid-up capital	12,000,000*

**99% of the equity shares of IGL Solar I have been pledged by IndiGrid in favour of lenders of IndiGrid.*

Particulars	Number of Compulsorily Convertible Debentures (CCDs) on a pre-Issue and post-Issue basis
Total number of CCDs issued	81,628,684
Total number of CCDs subscribed	81,628,684*

**99% of the CCDs of IGL Solar I have been pledged by IndiGrid in favour of lenders of IndiGrid.*

Pursuant to the IGL Solar Share Purchase Agreement, IndiGrid holds 100% of the issued, subscribed and paid-up share capital of IGL Solar I as on the date of this Preliminary Placement Document.

19. ***IndiGrid Solar-II (AP) Private Limited***

IGL Solar II was incorporated on July 9, 2016 under the Companies Act, 2013. The name of the company was changed from FRV India Solar Park-II Private Limited to IndiGrid Solar-II (AP) Private Limited and a new certificate of incorporation was issued by the Registrar of Companies, Delhi on September 16, 2021. Its registered office is situated at Office No. 202, F-6, Lotus Tower Vijaya Block, Laxmi Nagar, Delhi- 110092.

Capital structure of IGL Solar II

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	12,000,000
Issued, subscribed and paid-up capital	12,000,000*

**99% of the equity shares of IGL Solar II have been pledged by IndiGrid in favour of lenders of IndiGrid.*

Particulars	Number of Compulsorily Convertible Debentures (CCDs) on a pre-Issue and post-Issue basis
Total number of CCDs issued	81,000,000
Total number of CCDs subscribed	80,190,000*

**99% of the CCDs of IGL Solar II have been pledged by IndiGrid in favour of lenders of IndiGrid.*

Pursuant to the IGL Solar Share Purchase Agreement, IndiGrid directly holds 100% of the issued, subscribed and paid-up share capital of IGL Solar I as on the date of this Preliminary Placement Document.

20. ***Khargone Transmission Limited***

KTL was incorporated on November 28, 2015 under the Companies Act, 2013. Its registered office is situated at 5th Floor, JMD Galleria, Sohna Road, Sector-48 Gurgaon 122 018.

Capital structure of KTL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	1,600,000
Issued, subscribed and paid-up capital	1,560,000*

**48% and 51% of the equity shares of KTL have been pledged by IndiGrid and Sterlite Power Transmission Limited respectively in favour of lenders of IndiGrid.*

Pursuant to the KTL Share Purchase Agreement, IndiGrid holds 49% of the issued, subscribed and paid-up share capital of KTL (with 100% economic ownership) as on the date of this Preliminary Placement Document. The Trustee (on behalf of and acting in its capacity as trustee to, the Trust), the Investment Manager, KTL and SPTL have entered into a shareholders' agreement dated February 28, 2023 setting out the inter-se rights of the Trust and SPTL in KTL, including a mechanism for resolution of disputes between the Trust and SPTL

21. ***Raichur Sholapur Transmission Company Private Limited***

RSTCPL was incorporated on November 19, 2009 under the Companies Act, 1956. Its registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Santacruz East, Mumbai 400 098.

Capital structure of RSTCPL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Authorised capital	80,000,000

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis
Issued, subscribed and paid-up capital	80,000,000*

**99% of the equity shares of RSTCPL have been pledged by IndiGrid in favour of lenders of IndiGrid.*

Pursuant to the RSTCPL Share Purchase Agreement, IndiGrid holds 100% of the issued, subscribed and paid-up share capital of RSTCPL as on the date of this Preliminary Placement Document.

Acquisition of the VRET Assets

IndiGrid acquired 100% of units in Virescent Renewable Energy Trust on August 25, 2023 and IndiGrid Limited has acquired 100% of the share capital of the Virescent IM, along with its then wholly-owned subsidiary, the Virescent PM, on September 8, 2023 (the "**VRET Acquisition**"). Virescent Renewable Energy Trust ("**VRET**") was an infrastructure investment trust registered with SEBI in accordance with the provisions of the InvIT Regulations on February 25, 2021, having registration number IN/InvIT/20-21/0018. The units of VRET were issued on a private placement basis and were listed on National Stock Exchange of India Limited since September 2021. The investment manager of VRET was Virescent Infrastructure Investment Manager Private Limited (the "**Virescent IM**"). The project manager of VRET was Virescent Renewable Energy Project Manager Private Limited (the "**Virescent PM**"), which was a wholly owned subsidiary of the Virescent IM.

In relation to the VRET Acquisition, the SEBI issued an exemption letter, dated July 14, 2023, ("**Exemption Letter**") to the Trust in relation to strict enforcement of Regulation 2(1)(sa), Regulation 18(1), Regulation 18(5) and Regulation 18(9) of the InvIT Regulations.

In accordance with Regulation 18(1) of the InvIT Regulations, investments by an InvIT shall only be in HoldCos (as defined under the InvIT Regulations) and/ or SPVs (as defined under the InvIT Regulations) or infrastructure projects or securities in India in accordance with the InvIT Regulations. Additionally, in accordance with Regulation 18(9) of the InvIT Regulations, an InvIT is not permitted to invest in the units of another InvIT. Further, as per the InvIT Regulations, an InvIT investing in the units of another InvIT may not fall under the purview of Regulation 18(5) of the InvIT Regulations.

In this regard, SEBI in the Exemption Letter, provided certain exemptions to the Trust with respect to acquisition of units of VRET and with respect to acquisition of shares of Virescent Infrastructure Investment Manager Private Limited, and Virescent Renewable Energy Project Manager Private Limited (which was a wholly owned subsidiary of the Virescent IM) for a period of six months from the date of the Exemption Letter and subject to the fulfilment of lock-in of an equivalent number of units of the Trust held by the Sponsor until September 30, 2024.

Subsequent to the unit acquisition, certain actions were undertaken and completed, including but not limited to: (i) the voluntary delisting of units of VRET from NSE in accordance with the InvIT Regulations; (ii) deregistration of VRET as an InvIT and surrender of its registration under the InvIT Regulations; (iii) the dissolution of VRET as a trust under the Trusts Act and the extinguishment of the units of VRET, and (iv) the acquisition of 100% of the share capital of the Virescent IM and the Virescent PM by IndiGrid Limited.

The unitholders of VRET passed a resolution dated June 6, 2023 and the board of the Virescent IM passed a resolution dated May 12, 2023, in relation to the dissolution of VRET. VRET was deregistered as an infrastructure investment trust and its registration under the InvIT Regulations was surrendered on September 8, 2023. Further, Virescent Infrastructure Investment Manager Private Limited, Terra Asia Holdings II Pte. Ltd. and Axis Trustee Services Limited entered into a deed of dissolution of VRET dated September 8, 2023 to extinguish VRET and its units, in accordance with section 77 of the Trusts Act. Accordingly, VRET's portfolio is now held by IndiGrid. Additionally, IndiGrid also undertook to SEBI in its letter dated June 23, 2023, that Virescent IM and Virescent PM will be merged into IGL, subject to approval of the National Company Law Tribunal and any other regulatory and statutory authority, as may be required.

*22. **Godawari Green Energy Private Limited (GGEPL)***

GGEPL was originally incorporated on July 16, 2009 under the Companies Act, 1956 as Green Star Cement Limited at Raipur, Chhattisgarh. Its name was changed to Godawari Green Energy Private Limited and a fresh certificate of incorporation consequent upon change of name of the company dated February 03, 2010 was issued by Registrar of Companies, Chhattisgarh, Subsequently, GGEPL was converted into a private limited company and a fresh certificate of incorporation, consequent upon conversion from a public company to a private limited company, dated July 27, 2022 was issued by Registrar of Companies, Chhattisgarh. The registered office of GGEPL is at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai, Maharashtra, India, 400098. Its CIN is U40102MH2009PTC389629. GGEPL currently owns and operates a 50 (fifty) MW (AC) / 50 (fifty) MW (DC) concentrated solar power plant in Naukh Village located in Jaisalmer, Rajasthan.

Capital structure of GGEPL

Particulars	Amount (in ₹)
Authorised capital	1,41,00,00,000
Issued, subscribed and paid-up capital	25,24,70,000

IndiGrid directly holds 100% of the issued, subscribed and paid-up share capital of GGEPL as on the date of this Preliminary Placement Document.

23. ***Globus Steel & Power Private Limited (GSPPL)***

GSPPL was incorporated on February 23, 2011 under the Companies Act, 1956 at Delhi. The registered office of GSPPL is at B-93, Basement, Defence Colony, New Delhi 110024, India. Its CIN is U27100DL2011PTC214689. GSPPL owns and operates a 20 (twenty) MW (AC) / 20.6 (twenty point six) MW (DC) solar power project in Nataram village, Sitamau tehsil, Mandsaur district, Madhya Pradesh.

Capital structure of GSPPL

Particulars	Amount (in ₹)
Authorised capital	1,00,000
Issued, subscribed and paid-up capital	1,00,000

IndiGrid directly holds 100% of the issued, subscribed and paid-up share capital of GSPPL as on the date of this Preliminary Placement Document.

24. ***Solar Edge Power and Energy Private Limited (Solar Edge)***

Solar Edge was incorporated on June 29, 2015 under the Companies Act, 2013 at Mumbai, Maharashtra. The registered office of Solar Edge is at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai, Maharashtra, India, 400098. Its CIN is U74900MH2015PTC266093. Solar Edge owns and operates a 169 MW DC solar project spread across three locations of Maharashtra, India two in Beed district and one in Jalgaon district.

Capital structure of Solar Edge

Particulars	Amount (in ₹)
Authorised capital	1,50,00,00,000
Issued, subscribed and paid-up capital	1,49,00,00,000

IndiGrid directly holds 100% of the issued, subscribed and paid-up share capital of Solar Edge as on the date of this Preliminary Placement Document.

25. ***Terralight Kanji Solar Private Limited (TKSPL)***

TKSPL was incorporated on May 6, 2010 under the Companies Act, 1956 at Mumbai, Maharashtra. The registered office of TKSPL is at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai, Maharashtra, India, 400098. Its CIN is U40300MH2010PTC202812. TKSPL owns and operates a 36 MW DC solar project located in Thiruvannamalai district of Tamil Nadu, India and a 12.4 MW DC solar project located in Lalitpur, Uttar Pradesh, India.

Capital structure of TKSPL

Particulars	Amount (in ₹)
Authorised capital	85,10,00,000
Issued, subscribed and equity paid-up capital	40,50,08,000
Issued, subscribed and preference paid-up capital	7,00,000

IndiGrid directly holds 100% of the issued, subscribed and paid-up share capital of TKSPL as on the date of this Preliminary Placement Document.

26. ***TN Solar Power Energy Private Limited (TNSPEPL)***

TNSPEPL was incorporated on October 14, 2013 under the Companies Act, 1956 at Chennai, Tamil Nadu. The registered office of TNSPEPL is at Vatika Business Centre, Prestige Polygon, 3rd floor, 471 Anna Salai, Teynampet, Mount Road, Chennai 600 018, Tamil Nadu, India. Its CIN is U40103TN2013PTC093340. TNSPEPL owns and operates a 28 MW DC project spread across 3 (three) locations of Tamil Nadu, India (Vidrudhunagar, Thuthookudi and Dindigul districts).

Capital structure of TNSPEPL

Particulars	Amount (in ₹)
Authorised capital	75,00,00,000
Issued, subscribed and equity paid-up capital	43,50,00,000
Issued, subscribed and preference paid-up capital	19,12,00,000

IndiGrid directly holds 100% of the issued, subscribed and paid-up share capital of TNSPEPL as on the date of this Preliminary Placement Document.

27. ***Universal Mine Developers & Service Providers Private Limited (UMD)***

UMD was incorporated on July 11, 2008 under the Companies Act, 1956 at Mumbai, Maharashtra as SP Research Laboratories Private Limited. Subsequently, its name was changed to Universal Mine Developers and Service Providers Private Limited and a fresh certificate of incorporation consequent upon change of name of the company dated March 18, 2010 was issued by Registrar of Companies, Mumbai at Maharashtra. The registered office of UMD is at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai, Maharashtra, India, 400098. Its CIN is U10100MH2008PTC184554. UMD owns and operates a 30 MW DC project spread across 2 (two) locations of Tamil Nadu, India (Virudunagar and Thuthookudi (earlier known as Tuticorin) districts).

Capital structure of UMD

Particulars	Amount (in ₹)
Authorised capital	80,00,00,000
Issued, subscribed and equity paid-up capital	46,90,10,000
Issued, subscribed and preference paid-up capital	20,10,00,000

IndiGrid directly holds 100% of the issued, subscribed and paid-up share capital of UMD as on the date of this Preliminary Placement Document.

28. ***Terralight Rajapalayam Solar Private Limited (TRSPL)***

TRSPL was incorporated on October 9, 2018 under the Companies Act, 2013 at Mumbai, Maharashtra. The registered office of TRSPL is at Unit No. 101, First Floor, Windsor,Village KoleKalyan, off CST Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai, Maharashtra, India, 400098. Its CIN is U40100MH2018PTC315556. TRSPL owns and operates a 54 MW DC solar project located in Rajapalayam, Tamil Nadu, India.

Capital structure of TRSPL

Particulars	Amount (in ₹)
Authorised capital	50,00,000
Issued, subscribed and paid-up capital	11,00,000

IndiGrid directly holds 100% of the issued, subscribed and paid-up share capital of TRSPL as on the date of this Preliminary Placement Document.

29. ***Terralight Solar Energy Charanka Private Limited (TSEC)***

TSEC was incorporated on May 12, 2010 under the Companies Act, 1956 at New Delhi, India as AES Solar Energy Gujarat Private Limited. Subsequently its name was changed to Sindicatum Solar Energy Gujarat Private Limited and fresh certificate of incorporation dated January 23, 2017, consequent upon change of name the company was issued by Registrar of Companies, New Delhi. Further, its name was changed from Sindicatum Solar Energy Gujarat Private Limited to Terralight Solar Energy Charanka Private Limited, and fresh certificate of incorporation dated July 16, 2021, consequent upon change of name of the company was issued by Registrar of Companies, New Delhi. The registered office of TSEC is at B-93, Basement Defence Colony, New Delhi (South) – 110024, India. Its CIN is U40107DL2010PTC333963. TSEC owns and operates a 15 MW DC solar power project located in Gujarat Solar Park, Gujarat, India.

Capital structure of TSEC

Particulars	Amount (in ₹)
Authorised capital	99,00,00,000
Issued, subscribed and paid-up capital	98,32,27,410

IndiGrid directly holds 100% of the issued, subscribed and paid-up share capital of TSEC as on the date of this Preliminary Placement Document.

30. *PLG Photovoltaic Private Limited (PLG)*

PLG was incorporated on June 11, 2007 under the Companies Act, 1956 at Kolkata, India as public limited company. Subsequently, it was converted into private limited company and fresh certificate of incorporation dated June 8, 2019 consequent upon conversion from public limited to private limited Company was issued by Registrar of Companies, Kolkata. The registered office of PLG is at Kalika Dham, P- 4/B, C.I.T. Road Sch. No. 55 Kolkata – 700014, West Bengal, India. Its CIN is U30004WB2007PTC116408. PLG owns and operates a 20 MW DC solar power project located in Dahisar, Patan district of Gujarat, India.

Capital structure of PLG

Particulars	Amount (in ₹)
Authorised capital	43,00,00,000
Issued, subscribed and paid-up capital	41,23,71,570

IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of PLG as on the date of this Preliminary Placement Document.

31. *Terralight Solar Energy Tinwari Private Limited (TSET)*

TSET was incorporated on June 17, 2008 under the Companies Act, 1956 at New Delhi, India as AES Solar Energy Private Limited. Subsequently its name was changed to Sindicatum Solar Energy Private Limited and fresh certificate of incorporation dated January 23, 2017, consequent upon change of name of the company was issued by Registrar of Companies, New Delhi. Further, its name was changed from Sindicatum Solar Energy Private Limited to Terralight Solar Energy Tinwari Private Limited and fresh certificate of incorporation dated July 16, 2021, consequent upon change of name of the company was issued by Registrar of Companies, New Delhi. The registered office of TSET is at B-93, Basement Defence Colony, New Delhi (South) – 110024, India. Its CIN is U40106DL2008PTC333444. TSET owns and operates a 5.75 MW DC solar project located at Tinwari in Jodhpur district, Rajasthan, India.

Capital structure of TSET

Particulars	Amount (in ₹)
Authorised capital	26,50,00,000
Issued, subscribed and paid-up capital	18,55,46,120

IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of TSET as on the date of this Preliminary Placement Document.

32. *Universal Saur Urja Private Limited (USUPL)*

USUPL was incorporated on January 30, 2015 under the Companies Act, 2013 at Punjab, India. The registered office of USUPL is at a 274 A, New Adarsh Nagar, Mandi Guru Harsahai Jalalabad, Firozpur, Punjab -152022, India. Its CIN is U40101PB2015PTC039220. USUPL owns and operates a 35.21 MW DC solar photovoltaic power project located in Kankua Village in Mahoba, Uttar Pradesh, India and a 25.2 MW DC solar project located in Jodhpur, Rajasthan, India.

Capital structure of USUPL

Particulars	Amount (in ₹)
Authorised capital	35,00,00,000
Issued, subscribed and equity paid-up capital	16,73,39,850
Issued, subscribed and preference paid-up capital	1,14,50,000

IndiGrid directly holds 100% of the issued, subscribed and paid-up share capital of USUPL as on the date of this Preliminary Placement Document.

33. *Terralight Solar Energy Patlasi Private Limited (TSEP)*

TSEP was incorporated on February 28, 2014, under the Companies Act, 1956 at Delhi, India as Focal Energy Solar One India Private Limited. Subsequently its name was changed to Terralight Solar Energy Patlasi Private Limited and fresh certificate of incorporation dated December 31, 2021, consequent upon change of name of the company was issued by Registrar of Companies, Delhi. The registered office of TSEP is at B-93, Basement Defence Colony, New Delhi (South) – 110024, India. Its CIN is U40300DL2014FTC265625. TSEP owns and operates a 20 (twenty) MW (AC) / 22.1 (twenty two point one) MW (DC) solar project in village Chhoti Patlasi, tehsil Sitamau, district Mandsaur, Madhya Pradesh.

Capital structure of TSEP

Particulars	Amount (in ₹)
Authorised capital	2,00,00,000
Issued, subscribed and paid-up capital	1,96,07,820

IndiGrid directly holds 100% of the issued, subscribed and paid-up share capital of TSEP as on the date of this Preliminary Placement Document.

34. ***Terralight Solar Energy Nangla Private Limited (TSEN)***

TSEN was incorporated on February 21, 2012 under the Companies Act, 1956 at Delhi, India, as Focal Energy Wind India Private Limited. Subsequently its name was changed to Focal Energy Solar India Private Limited and fresh certificate of incorporation dated August 31, 2013, consequent upon change of name of the company was issued by Registrar of Companies, Delhi. Further, its name was changed from Focal Energy Solar India Private Limited to Terralight Solar Energy Nangla Private Limited and fresh certificate of incorporation dated December 30, 2021, consequent upon change of name of the company was issued by Registrar of Companies, Delhi. The registered office of TSEN is at B-93, Basement Defence Colony, New Delhi (South) – 110024, India. Its CIN is U40106DL2012PTC231814. TSEN owns and operates a 4 (four) MW (AC) / 4.2 (four point two) MW (DC) solar project in village Nangla, district Bhatinda, Punjab.

Capital structure of TSEN

Particulars	Amount (in ₹)
Authorised capital	3,00,00,000
Issued, subscribed and paid-up capital	1,84,13,560

IndiGrid directly holds 100% of the issued, subscribed and paid-up share capital of TSEN as on the date of this Preliminary Placement Document.

35. ***Terralight Solar Energy Gadna Private Limited (TSEG)***

TSEG was incorporated on May 24, 2010 under the Companies Act, 1956 at Jaipur, India as Sunborne Energy Rajasthan Solar Thermal Private Limited. Subsequently its name was changed to Sunborne Energy Rajasthan Solar Private Limited and fresh certificate of incorporation dated March 16, 2011, consequent upon change of name of the company was issued by Registrar of Companies, Rajasthan. Further, its name was changed from Sunborne Energy Rajasthan Solar Private Limited to Terralight Solar Energy Gadna Private Limited and fresh certificate of incorporation dated February 22, 2022, consequent upon change of name of the company was issued by Registrar of Companies, Delhi. The registered office of TSEG is at B-93, Basement Defence Colony, New Delhi (South) – 110024, India. Its CIN is U74140DL2010PTC258556. TSEG owns and operates a 5 (five) MW (AC) / 5.5 (five point five) MW (DC) solar project in village Gadna, Tehsil Phalodi, District Jodhpur, Rajasthan.

Capital structure of TSEG

Particulars	Amount (in ₹)
Authorised capital	5,00,000
Issued, subscribed and paid-up capital	4,37,800

IndiGrid directly holds 100% of the issued, subscribed and paid-up share capital of TSEG as on the date of this Preliminary Placement Document.

36. ***Terralight Solar Energy Sitamauss Private Limited (TSESPL)***

TSESPL was incorporated on August 7, 2014 under the Companies Act, 2013 at Delhi, India, as Focal Energy Solar Three India Private Limited. Subsequently its name was changed to Terralight Solar Energy SitamauSS Private Limited and fresh certificate of incorporation dated January 06, 2022, consequent upon change of name of the company was issued by Registrar of Companies, Delhi. The registered office of TSESPL is at B-93, Basement Defence Colony, New Delhi (South) – 110024, India. Its CIN is U40300DL2014PTC270053.

Capital structure of TSESPL

Particulars	Amount (in ₹)
Authorised capital	1,20,00,000
Issued, subscribed and paid-up capital	1,15,38,700

The shareholding pattern of TSESPL is as follows:

Name of shareholder	Number of equity shares of ₹ 10 each	Percentage of the issued, subscribed and paid-up capital
TSEP	3,81,084	33.03%
GSPPL	3,81,084	33.03%
Focal Photovoltaic India Private Limited	1,95,851	16.97%
Focal Renewable Energy Two India Private Limited	1,95,851	16.97%
Total	**11,53,870**	**100 %**

IndiGrid indirectly holds 66.06% of the issued, subscribed and paid-up share capital of TSESPL as on the date of this Preliminary Placement Document, through TSEP and GSPPL.

Except as disclosed in the section entitled "*Our Business - Insurance*", the Trustee confirms that adequate insurance for the Portfolio Assets has been obtained. For further details in relation to the Portfolio Assets, please see the section entitled "*Our Business*" on page 211.

Other entities held by IndiGrid

1. ***Virescent Infrastructure Investment Manager Private Limited (the "Virescent IM")***

Virescent IM was incorporated on August 22, 2020 under the Companies Act, 2013 at Mumbai, India. The registered office of the Virescent IM is at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagar Marg, Kalina, Santacruz East, Mumbai 400 098, India. Its CIN is U74999MH2020PTC344288.

Capital structure of Virescent IM

Particulars	Amount (in ₹)
Authorised capital	310,000,000
Issued, subscribed and paid-up capital	127,477,530

IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of the Virescent IM as on the date of this Preliminary Placement Document.

2. ***Virescent Renewable Energy Project Manager Private Limited (the "Virescent PM")***

Virescent IM was incorporated on November 27, 2020 under the Companies Act, 2013 at Mumbai, India. The registered office of the Virescent PM is at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagar Marg, Kalina, Santacruz East, Mumbai 400 098, India. Its CIN is U74999MH2020PTC350874.

Capital structure of Virescent PM

Particulars	Amount (in ₹)
Authorised capital	11,500,000
Issued, subscribed and paid-up capital	2,60,000

IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of the Virescent PM as on the date of this Preliminary Placement Document.

3. ***Kilokari BESS Private Limited ("KBPL")***

KBPL was incorporated on November 6, 2023 under the Companies Act, 2013 at Mumbai, India. The registered office of KBPL is at Unit No. 101 first floor, Windsor Village kolekalyan, Vidyanagari, Mumbai 400098, Maharashtra, India. Its CIN is U35100MH2023PTC413386. A letter of intent/acceptance for design, supply, testing, installation, commissioning, operation and maintenance of 20 MW/40 MWh battery energy storage systems at 33/11 kV Kilokari Grid station was issued to IndiGrid 2 Limited by BSES Rajdhani Power Limited on October 23, 2023. KBPL was incorporated pursuant to the above letter of intent. KBPL has not yet commenced operations.

Capital structure of KBPL

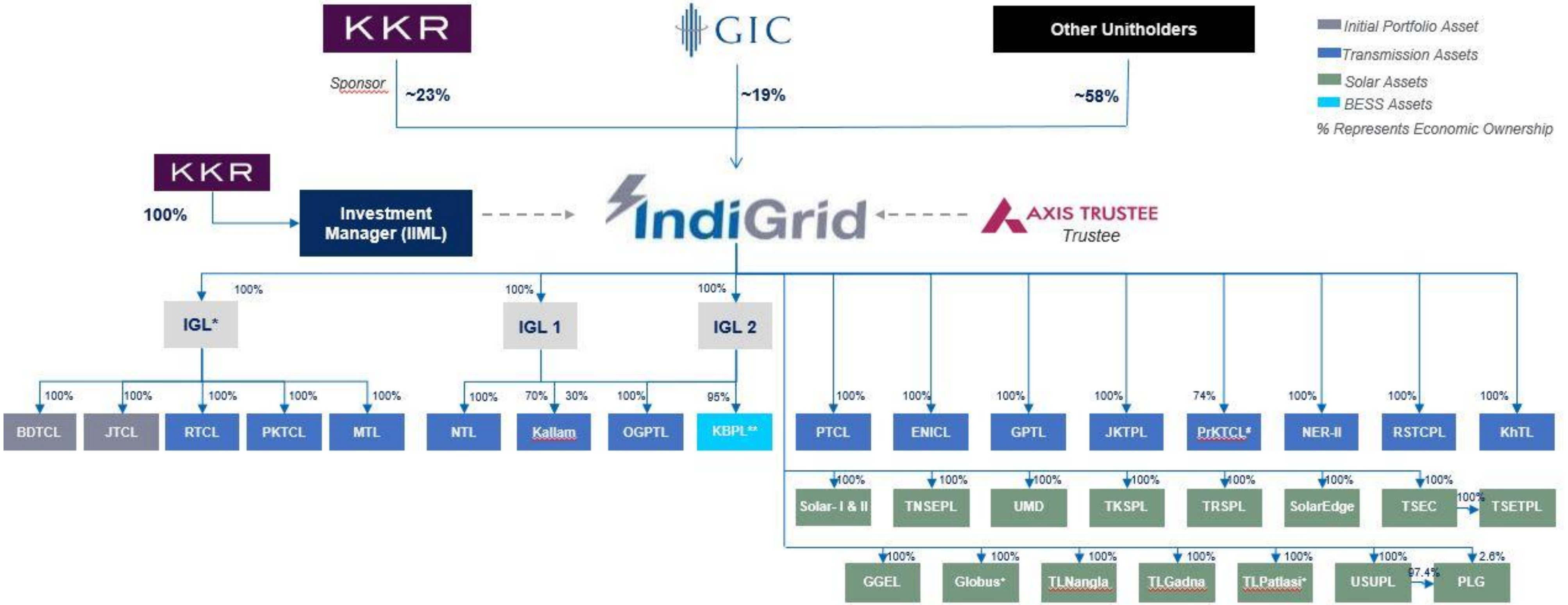
Particulars	Amount (in ₹)
Authorised capital	100,000

IndiGrid indirectly, proposes to subscribe to 95% of the issued, subscribed and paid-up share capital of the KBPL. The remaining share capital is proposed to be held by AmpereHour Solar Technology Private Limited. The Trust shall enter into a shareholders' agreement with AmpereHour Solar Technology Private Limited in KBPL, as required under the InvIT Regulations.

Structure of IndiGrid

On November 3, 2023, the board of the Investment Manager approved internal restructuring within the group of various SPVs / HoldCos held by IndiGrid for reducing number of legal entities, simplification of corporate structure and efficient operations in accordance with the InvIT Regulations and other applicables. The following structure chart illustrates the relationship between IndiGrid, the Trustee, the Sponsor, the Investment Manager, the Project Manager and the Unitholders as on the date of this Preliminary Placement Document:

Corporate Structure



IGL= IndiGrid Ltd, IGL1 = IndiGrid 1 Ltd , IGL2 = IndiGrid 2 Ltd, BDTCL = Bhopal Dhule Transmission Company Ltd, JTCL = Jabalpur Transmission Company Ltd, RTCL = RAPP Transmission Company Ltd, PKTCL = Purulia & Kharagpur Transmission Company Ltd, MTL = Maheshwaram Transmission Ltd, PTCL = Patran Transmission Company Ltd, NTL = NRSS XXIX Transmission Ltd, Kallam = Kallam Transmission Ltd, OGPTL = Odisha Generation Phase II Transmission Ltd, ENICL = East-North Interconnection Company Ltd , GPTL = Gurgaon Palwal Transmission Ltd, JKTPL = Jhajjar KT Transco Pvt Ltd, PrKTCL = Parbati Koldam Transmission Company Ltd, NER-II = NER II Transmission Ltd, RSTCPL = Raichur Sholapur Transmission Company Pvt Ltd, KhTL = Khargone Transmission Ltd, Solar I & II = IndiGrid Solar-I (AP) Pvt Ltd and IndiGrid Solar-II (AP) Pvt Ltd, TNSEPL = TN Solar Power Energy Pvt Ltd, UMD = Universal Mine Developers & Service Providers Pvt Ltd, TKSPL = Terralight Kanji Solar Pvt Ltd, TRSPL = Terralight Rajapalayam Solar Pvt Ltd, Solar Edge = Solar Edge Power and Energy Pvt Ltd, TSEC = Terralight Solar Energy Charanka Pvt Ltd, PLG = PLG Photovoltaic Pvt Ltd, TSETPL = Terralight Solar Energy Tinwari Pvt Ltd, USUPL = Universal Saur Urja Pvt Ltd, Globus = Globus Steel & Power Pvt Ltd, TLPatlasi = Terralight Solar Energy Patlasi Pvt Ltd, TLNangla = Terralight Solar Energy Nangla Pvt Ltd, TLGadna = Terralight Solar Energy Gadna Pvt Ltd, GGEL = Godawari Green Energy Ltd , KBPL = Kilokari BESS Private Limited

*IGL also holds 100% of Virescent Infrastructure Investment Manager Pvt Ltd (VIIMPL) and Virescent Renewable Energy Project Manager Pvt Ltd (VREPMPL), which will be merged with IGL
#PrKTCL held in a Joint Venture with Power Grid holding 26% stake
+Globus and TLPatlasi hold 33% each in Terralight Solar Energy Sitamauss Pvt Ltd, balance owned by Brookfield entities
**KBPL held in a joint venture with Amperehour Solar Technology Private Limited holding 5% stake

SUMMARY CONSOLIDATED FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from the audited consolidated financial statements of IGT and its subsidiaries which were prepared in accordance with Ind AS read with the InvIT Regulations, as of and for the Fiscals 2023, 2022 and 2021, and Unaudited Interim Condensed Consolidated Financial Statements for half year ended September 30 2023 prepared in accordance with Ind AS 34 read with the InvIT Regulations.

The degree to which the summary financial information included herein below will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Ind AS, the Companies Act and the InvIT Regulations. Accordingly, any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the InvIT Regulations on the summary financial information presented below should be limited.

The summary financial information derived from the Consolidated Financial Statements, as presented below, should be read together with the section entitled "Management's discussion and analysis by the Directors of the Investment Manager of factors affecting the financial condition, results of operations and cash flows" on page 278 *in conjunction with the section entitled "Financial Statements" enclosed at Annexure B.*

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INDIA GRID TRUST
SUMMARY OF CONSOLIDATED ASSETS AND LIABILITIES

(All amounts in Rs. million unless otherwise stated)

	31 March 2023	31 March 2022	31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	177,840.92	167,882.05	163,898.29
Right of use asset	109.88	-	-
Intangible assets	461.15	497.95	-
Capital work-in-progress	782.13	36.42	97.09
Financial assets			
i. Other financial assets	2,673.94	3,289.66	2,856.18
Other non-current assets	1,026.52	639.81	333.31
	182,894.54	**172,345.89**	**167,184.87**
Current assets			
Financial assets			
i. Investments	4,462.46	1,451.73	-
ii. Trade receivables	4,180.21	3,898.15	2,976.55
iii. Cash and cash equivalent	3,166.23	11,873.37	26,066.29
iv. Bank Balances other than (iii) above	3,870.50	3,167.87	1,771.81
v. Loans to employee	-	-	0.85
vi. Other financial assets	3,339.58	2,675.69	2,096.22
Other current assets	210.30	157.65	257.91
	19,229.28	**23,224.46**	**33,169.63**
Total assets	**202,123.82**	**195,570.35**	**200,354.50**
EQUITY AND LIABILITIES			
Equity			
Unit capital	65,903.15	65,903.15	53,145.69
Other equity			
Retained earnings / (accumulated deficit)	(16,326.20)	(11,720.89)	(6,379.84)
Other reserves			
Self insurance reserve	-	-	58.07
Equity attributable to Non-controlling interests	827.89	796.58	1,681.02
Total unit holders' equity	**50,404.84**	**54,978.84**	**48,504.94**
Non-current liabilities			
Financial liabilities			
i. Borrowings	135,674.58	111,311.50	136,064.70
ii. Leases	93.30	26.58	-
iii. Other financial liabilities	311.58	286.41	-
Employee benefit obligations	11.46	8.43	3.94
Deferred tax liabilities (net)	958.19	1,049.44	921.40
	137,049.11	**112,682.36**	**136,990.04**
Current liabilities			
Financial liabilities			
i. Borrowings	9,256.73	22,036.95	-
ii. Leases	25.03	15.04	-

INDIA GRID TRUST
SUMMARY OF CONSOLIDATED ASSETS AND LIABILITIES

(All amounts in Rs. million unless otherwise stated)

	31 March 2023	31 March 2022	31 March 2021
iii. Trade payables			
a. Total outstanding dues of micro and small enterprises	8.61	9.05	23.25
b. Total outstanding dues of creditors other than micro and small enterprises	740.74	477.24	202.08
iv. Other financial liabilities	4,207.80	5,067.05	14,343.67
Employee benefit obligations	18.89	23.33	12.37
Other current liabilities	412.07	280.49	278.15
	14,669.87	**27,909.15**	**14,859.52**
Total liabilities	**151,718.98**	**140,591.51**	**151,849.56**
Total equity and liabilities	**202,123.82**	**195,570.35**	**200,354.50**

INDIA GRID TRUST
SUMMARY OF CONSOLIDATED PROFIT AND LOSS

(All amounts in Rs. million unless otherwise stated)

	31 March 2023	31 March 2022	31 March 2021
INCOME			
Revenue from contracts with customers	23,318.12	22,221.83	16,769.19
Income from investment in mutual funds	362.55	193.62	129.91
Interest income on investment in fixed deposits	239.37	146.37	135.77
Other finance income	1.93	9.48	13.63
Other income	220.91	173.11	93.03
Total income (I)	**24,142.88**	**22,744.41**	**17,141.53**
EXPENSES			
Employee benefit expenses	351.96	288.35	140.78
Transmission infrastructure maintenance charges	526.64	441.51	300.79
Legal and professional fees	171.95	176.12	145.38
Annual listing fee	11.38	9.83	6.18
Rating fee	24.85	31.55	50.71
Valuation expenses	5.89	8.58	3.05
Trustee fee	7.70	4.63	3.48
Audit Fees			
- Statutory audit fees	15.16	13.98	11.22
- Tax audit fees	3.10	3.05	2.14
- Other services (including certification)	1.45	2.67	7.77
Other expenses	1,304.86	1,163.12	1,720.26
Depreciation and amortization expense	7,040.70	6,654.86	4,304.85
Finance costs	10,108.90	10,501.48	6,864.95
Impairment/ (reversal of impairment) of property, plant and equipment and service concession receivable	(120.14)	(54.97)	175.11
Total expenses (II)	**19,454.40**	**19,244.76**	**13,736.67**
Regulatory Deferral Income	0.90	6.93	(15.51)
Profit before tax (III=I-II)	**4,687.58**	**3,492.72**	**3,420.37**
Tax expense			
Current tax	119.78	43.66	49.85
Deferred tax	(91.25)	10.97	24.92
Income tax for earlier years	1.26	5.34	1.51
Tax expense (IV)	**29.79**	**59.97**	**76.28**
Profit for the year (III-IV)	**4,657.79**	**3,432.75**	**3,344.09**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods	-	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	2.74	(0.80)	(3.62)
Other comprehensive income for the year	**2.74**	**(0.80)**	**(3.62)**
Total comprehensive income for the year	**4,660.53**	**3,433.55**	**3,347.71**

INDIA GRID TRUST
SUMMARY OF CONSOLIDATED CASH FLOWS

(All amounts in Rs. million unless otherwise stated)

	31 March 2023	31 March 2022	31 March 2021
A. Cash flow generated from operating activities			
Net profit as per statement of profit and loss	**4,660.53**	**3,433.55**	**3,347.71**
Adjustment for taxation	29.79	59.97	76.28
Profit before tax	**4,690.32**	**3,493.52**	**3,423.99**
Non-cash adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortization expense	7,040.70	6,654.86	4,304.85
Impairment / (reversal of impairment) of property, plant & equipment	(120.14)	(54.97)	175.11
Foreign exchange (loss)/gain on borrowing	(53.23)	(126.93)	61.46
Finance cost	10,162.13	10,628.41	6,864.95
Income from investment in mutual funds	(362.55)	(193.62)	(129.91)
Interest income on investment in fixed deposits	(239.37)	(146.37)	(135.77)
Other finance income	(1.93)	(9.48)	(13.63)
Operating profit before working capital changes	**21,115.93**	**20,245.42**	**14,551.05**
Movements in working capital :			
- trade payables	172.30	464.11	(151.39)
- other current and non-current financial liabilities	(501.93)	-	-
- other current financial liabilities	-	420.88	862.04
- other non-current financial liabilities	-	286.65	-
- other current and non-current liabilities	128.49	-	-
- other current liabilities	-	15.92	(20.96)
- trade receivables	340.27	(668.26)	1,562.92
- other current and non-current financial asset	(377.17)	-	-
- other non-current financial asset	-	230.53	136.24
- other current financial asset	-	(301.31)	(407.88)
- other current and non-current asset	(31.75)	-	-
- other non-current asset	-	(140.25)	26.10
- other current assets	-	140.47	27.29
Changes in working capital	**(269.79)**	**448.74**	**2,034.36**
Cash generated from operations	**20,846.14**	**20,694.16**	**16,585.41**
Direct taxes paid (net of refunds)	(490.08)	112.42	210.35
Net cash flow generated from operating activities (A)	**20,356.06**	**20,806.58**	**16,795.76**
B. Cash flow (used in) investing activities			
Purchase of property plant and equipment (including capital work-in-progress)	(17,826.59)	(11,050.09)	(54,955.51)
Purchase of service concession receivable of	-	-	(3,128.27)

INDIA GRID TRUST
SUMMARY OF CONSOLIDATED CASH FLOWS

(All amounts in Rs. million unless otherwise stated)

	31 March 2023	31 March 2022	31 March 2021
subsidiary			
Purchase of equity shares/NCD/CCD of subsidiaries	-	(165.99)	-
Acquisition of other assets (net of other liabilities)	(578.41)	(970.89)	(670.67)
Proceeds from sale property plant & equipment	-	0.03	-
Interest income on investment in fixed deposits	197.13	117.83	135.56
Income from investment in mutual funds	362.55	193.62	129.91
Interest on others	1.93	9.48	13.63
Investment in mutual funds	(62,466.58)	(1,451.73)	-
Proceeds from mutual funds	59,455.85	-	-
Investment in fixed deposits (net)	(325.32)	(1,850.63)	(496.51)
Net cash flow (used in) investing activities (B)	**(21,179.44)**	**(15,168.37)**	**(58,971.86)**
C. Cash flow (used in)/from financing activities			
Proceeds from issue of unit capital	-	12,836.49	-
Unit issue expense incurred	-	(79.03)	-
Proceeds of long term borrowings	37,700.00	51,600.00	54,530.79
Repayment of long term borrowings	(26,145.39)	(70,721.01)	(15,764.01)
Acquisition of borrowings	-	7,106.84	38,807.08
Acquisition of non controlling interest	-	(807.65)	-
Payment of upfront fees of long term borrowings	(156.51)	(272.57)	(266.53)
Finance costs	(10,048.99)	(10,530.72)	(6,095.42)
Payment of dividend to non controlling interest	(70.94)	(99.31)	-
Payment of distributions to unitholders	(9,161.93)	(8,864.21)	(7,057.93)
Net cash flow (used in)/from financing activities (C)	**(7,883.76)**	**(19,831.17)**	**64,153.98**
Net change in cash and cash equivalents (A + B + C)	**(8,707.14)**	**(14,192.96)**	**21,977.88**
Cash and cash equivalents as at beginning of year (D)	**11,873.37**	**26,066.29**	**4,088.41**
Cash and cash equivalents as at the end of year (A + B + C + D)	**3,166.23**	**11,873.33**	**26,066.29**

INDIA GRID TRUST

SUMMARY OF CONSOLIDATED ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 2023

(All amounts in Rs. Million unless otherwise stated)

	September 30, 2023
ASSETS	
Non-current assets	
Property, plant and equipment	1,96,029.54
Right of use asset	181.93
Intangible assets	14,378.05
Goodwill	3,094.34
Capital work-in-progress	2,252.13
Financial assets	
i. Trade Receivables	251.35
ii. Other financial assets	3,588.77
Other non-current assets	635.70
Income tax assets (net)	679.63
	2,21,091.44
Current assets	
Financial assets	
i. Investments	6,790.65
ii. Inventories	248.78
iii. Trade receivables	5,780.03
iv. Cash and cash equivalent	6,902.76
v. Bank Balances other than (iv) above	3,897.39
vi. Other financial assets	3,487.76
Other current assets	212.35
	27,319.72
Total assets	**2,48,411.16**
EQUITY AND LIABILITIES	
Equity	
Unit capital	69,879.63
Other equity	(19,755.16)
Equity attributable to the Unit holder of parent	**50,124.47**
Non-controlling interests	868.12
Total unit holders' equity	**50,992.59**
Non-current liabilities	
Financial liabilities	
i. Borrowings	1,62,457.33
ii. Lease liabilities	95.12

INDIA GRID TRUST

SUMMARY OF CONSOLIDATED ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 2023

(All amounts in Rs. Million unless otherwise stated)

	September 30, 2023
iii. Other financial liabilities	314.96
Employee benefit obligations	44.79
Other non-current liabilities	19.09
Deferred tax liabilities (net)	3,528.92
	1,66,460.21
Current liabilities	
Financial liabilities	
i. Borrowings	24,454.46
ii. Lease liabilities	29.37
iii. Trade payables	
a. Total outstanding dues of micro and small enterprises	6.82
b. Total outstanding dues of creditors other than micro and small enterprises	858.19
iv. Other financial liabilities	4,742.07
Employee benefit obligations	11.91
Other current liabilities	831.56
Current tax liabilities (net)	23.98
	30,958.36
Total liabilities	**1,97,418.57**
Total equity and liabilities	**2,48,411.16**

INDIA GRID TRUST

SUMMARY OF CONSOLIDATED PROFIT AND LOSS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023

(All amounts in Rs. Million unless otherwise stated)

	September 30, 2023
INCOME	
Revenue from contracts with customers	13,242.00
Income from investment in mutual funds	286.95
Interest income on investment in fixed deposits	164.20
Other finance income	0.17
Other income	53.92
Total income (I)	**13,747.24**
EXPENSES	
Employee benefit expenses	711.44
Insurance expenses	104.83
Infrastructure maintenance charges	162.08
Project management fees	0.35
Investment management fees	590.02
Legal and professional fees	64.12
Annual listing fee	10.76
Rating fee	35.94
Valuation expenses	8.25
Trustee fee	11.85
Loss on sale of assets	0.19
Payment to auditors	
- Statutory audit fees	11.12
- Other services (including certification)	2.12
Other expenses	330.01
Depreciation and amortization expense	4,136.33
Finance costs	6,051.69
Total expenses (II)	**12,231.10**
Profit before tax and regulatory deferral income (III=I-II)	**1,516.14**
Regulatory Deferral expense (IV)	0.89
Profit before tax (V=III-IV)	**1,515.25**
Tax expense	
Current tax	55.21
Income tax for earlier years	(2.23)
Deferred tax	1.55
Tax expense (VI)	**54.53**
Profit for the period (V-VI)	**1,460.72**

INDIA GRID TRUST

SUMMARY OF CONSOLIDATED PROFIT AND LOSS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023

(All amounts in Rs. Million unless otherwise stated)

	September 30, 2023
Other comprehensive income	
Other comprehensive income to be reclassified to profit or loss in subsequent periods	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	-
Other comprehensive income for the period	**-**
Total comprehensive income for the period	**1,460.72**
Profit for the period	**1,460.72**
Attributable to:	
Unit holders of the parent	1,402.27
Non-controlling interests	58.45
Other comprehensive income for the period	**-**
Attributable to:	
Unit holders of the parent	-
Non-controlling interests	-
Total comprehensive income for the period	**1,460.72**
Attributable to:	
Unit holders of the parent	1,402.27
Non-controlling interests	58.45

INDIA GRID TRUST

SUMMARY OF CONSOLIDATED CASH FLOW FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023

(All amounts in Rs. Million unless otherwise stated)

	September 30, 2023
A. Cash flow generated from operating activities	
Net profit as per statement of profit and loss	**1,460.72**
Adjustment for taxation	54.53
Profit before tax	**1,515.25**
Non-cash adjustment to reconcile profit before tax to net cash flows	
Depreciation and amortization expense	4,136.33
Loss on sale of assets	0.19
Unrealized Mark to market loss / (gain) on mutual fund	(33.41)
Finance cost	6,051.69
Income from investment in mutual funds	(253.54)
Interest income on investment in fixed deposits	(164.20)
Other finance income	(0.17)
Operating profit before working capital changes	**11,252.14**
Movements in working capital :	
- trade payables	(12.21)
- other current and non-current financial liabilities	399.22
- other current and non-current liabilities	(79.25)
- inventories	(94.62)
- trade receivables	(536.25)
- other current and non-current financial asset	397.39
- other current and non-current asset	(124.41)
Changes in working capital	**(50.13)**
Cash flows generated from operations	**11,202.01**
Direct taxes paid (net of refunds)	(120.73)
Net cash flow generated from operating activities (A)	**11,081.29**
B. Cash flow (used in) investing activities	
Purchase of property plant and equipment (including capital work-in-progress) and property, plant and equipment acquired on acquistion	(38,431.40)
Net assets other than property plant and equipment acquired on acquisition	(834.16)
Interest received on investment in fixed deposits	137.99
Income from investment in mutual funds	253.54
Interest on others	0.17

INDIA GRID TRUST

SUMMARY OF CONSOLIDATED CASH FLOW FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023

(All amounts in Rs. Million unless otherwise stated)

	September 30, 2023
Investment in mutual funds	(54,425.46)
Proceeds from mutual funds	52,130.68
(Investment in) / proceeds from fixed deposits (net)	(1,022.52)
Net cash flow (used in) investing activities (B)	**(42,191.17)**
C. Cash flow (used in)/generated from financing activities	
Proceeds from issue of unit capital	4,035.00
Unit issue expense incurred	(58.52)
Payment of principal portion of lease liabilities	(6.36)
Payment of interest portion of lease liabilities	(4.70)
Proceeds of long term borrowings	53,400.00
Repayment of long term borrowings	(11,220.30)
Payment of upfront fees of long term borrowings	(335.85)
Finance costs	(6,084.37)
Payment of dividend to non controlling interest	(35.47)
Payment of distributions to unitholders	(4,829.98)
Net cash flow (used in) / generated from financing activities (C)	**34,859.45**
Net change in cash and cash equivalents (A + B + C)	**3,749.57**
Cash and cash equivalents as at beginning of Period(D)	**3,153.19**
Cash and cash equivalents as at the end of period (A + B + C + D)	**6,902.76**

SUMMARY STANDALONE FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from the audited standalone financial statements of IGT which were prepared in accordance with Ind AS read with the InvIT Regulations, as of and for the Fiscals 2023, 2022 and 2021, and Unaudited Interim Condensed Standalone Financial Statements for half year ended September 30 2023 prepared in accordance with Ind AS 34 read with the InvIT Regulations.

The degree to which the summary financial information included herein below will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Ind AS, and the InvIT Regulations. Accordingly, any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the InvIT Regulations on the summary financial information presented below should be limited.

The summary financial information derived from the Standalone Financial Statements, as presented below, should be read together with the section entitled "Management's discussion and analysis by the Directors of the Investment Manager of factors affecting the financial condition, results of operations and cash flows" on page 278 *in conjunction with the section entitled "Financial Statements" enclosed at Annexure B.*

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INDIA GRID TRUST
SUMMARY OF STANDALONE ASSETS AND LIABILITIES

(All amounts in Rs. million unless otherwise stated)

	31 March 2023	31 March 2022	31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	0.49	0.92	-
Intangible assets	64.66	75.74	-
Capital work-in-progress	-	-	1.89
Financial assets			
i. Investment in subsidiaries	44,921.40	42,734.91	37,193.07
ii. Investments	3,071.84	6,231.37	-
iii. Loans	156,914.84	132,476.19	111,361.96
iv. Other financial assets	118.30	456.90	-
Other non-current assets	41.91	31.83	19.71
	205,133.44	**182,007.86**	**148,576.63**
Current assets			
Financial assets			
i. Investments	69.74	-	6,448.33
ii. Cash and cash equivalent	1,949.33	7,846.97	6,905.20
iii. Bank Balances other than (ii) above	3,110.76	2,322.58	841.05
iv. Other financial assets	6,190.18	3,261.35	550.79
Other current assets	4.90	-	-
	11,324.91	**13,430.90**	**14,745.37**
Total assets	**216,458.35**	**195,438.76**	**163,322.00**
EQUITY AND LIABILITIES			
Unit capital	65,903.15	65,903.15	53,145.69
Other equity	3,296.07	2,293.62	1,951.03
Total unit holders' equity	**69,199.22**	**68,196.77**	**55,096.72**
Non-current liabilities			
Financial liabilities			
i. Borrowings	135,674.58	107,486.42	104,017.27
	135,674.58	**107,486.42**	**104,017.27**
Current liabilities			
Financial liabilities			
i. Borrowings	9,256.73	17,215.53	-
ii. Trade payables			
a. Total outstanding dues of micro and small enterprises	1.58	-	-
b. Total outstanding dues of creditors other than micro and small enterprises	73.83	55.87	-
iii. Other financial liabilities	2,238.26	2,483.37	4,198.05
Other current liabilities	14.15	0.80	9.96

INDIA GRID TRUST
SUMMARY OF STANDALONE ASSETS AND LIABILITIES

(All amounts in Rs. million unless otherwise stated)

	11,584.55	**19,755.57**	**4,208.01**
Total liabilities	**147,259.13**	**127,241.99**	**108,225.28**
Total equity and liabilities	**216,458.35**	**195,438.76**	**163,322.00**

INDIA GRID TRUST
SUMMARY OF STANDALONE PROFIT AND LOSS

(All amounts in Rs. million unless otherwise stated)

	31 March 2023	31 March 2022	31 March 2021
INCOME			
Revenue from operations	21,807.67	20,025.39	12,488.31
Dividend income from subsidiaries	221.90	282.66	-
Income from investment in mutual funds	74.57	55.26	-
Interest income on investment in fixed deposits	184.61	106.52	78.30
Other income	-	19.03	-
Total income (I)	**22,288.75**	**20,488.86**	**12,566.61**
EXPENSES			
Legal and professional fees	102.15	71.69	95.34
Annual listing fee	11.38	9.83	6.18
Rating fee	24.77	28.36	46.52
Valuation expenses	5.35	8.25	3.05
Trustee fee	6.75	3.32	3.01
Payment to auditors			
- Statutory audit fees	5.54	5.43	4.01
- Other services (including certification)	0.38	0.64	7.32
Other expenses	33.37	21.79	827.94
Depreciation and amortization expense	12.31	1.75	-
Finance costs	10,009.55	9,432.83	4,346.97
(Reversal of impairment)/Impairment of investment in subsidiaries	1,879.20	1,672.75	(3,497.47)
		-	
Total expenses (II)	**12,090.75**	**11,256.64**	**1,842.87**
Profit before tax (III=I-II)	**10,198.00**	**9,232.22**	**10,723.74**
Tax expense			
Current tax	31.88	23.62	-
Income tax for earlier years	0.08	-	(1.18)
Tax expense (IV)	**31.96**	**23.62**	**(1.18)**
Profit for the year (III-IV)	**10,166.04**	**9,208.60**	**10,724.92**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods	-	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	-	-	-
Other comprehensive income for the year	**-**	**-**	**-**
Total comprehensive income for the year	**10,166.04**	**9,208.60**	**10,724.92**

INDIA GRID TRUST
SUMMARY OF STANDALONE CASH FLOWS

(All amounts in Rs. Million unless otherwise stated)

	31 March 2023	31 March 2022	31 March 2021
A. Cash flow (used in) operating activities			
Net profit as per statement of profit and loss	**10,166.04**	**9,208.60**	**10,724.92**
Adjustment for taxation	31.96	23.62	(1.18)
Profit before tax	**10,198.00**	**9,232.22**	**10,723.74**
Non-cash adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortization expense	12.31	1.75	-
(Reversal of impairment)/Impairment of investment in subsidiaries	1,879.20	1,672.75	(3,497.47)
Interest income on non convertible debentures	(276.17)	(467.21)	(624.43)
Finance cost	10,009.55	9,432.83	4,346.97
Interest income on loans given to subsidiaries	(21,531.50)	(19,558.18)	(11,863.88)
Dividend income from subsidiaries	(221.90)	(282.66)	-
Income from investment in mutual funds	(74.57)	(55.26)	-
Interest income on investment in fixed deposits	(184.61)	(106.52)	(78.30)
Operating loss before working capital changes	**(189.69)**	**(130.28)**	**(993.37)**
Movements in working capital :			
- trade payables	19.54	55.87	-
- other current and non-current financial liabilities	(6.89)	-	-
- other current financial liabilities	-	(381.64)	23.11
- other current and non-current liabilities	13.35	-	-
- other current liabilities	-	(9.16)	0.90
- other current and non-current financial asset	(2.31)	-	-
- other non-current financial asset	-	(38.90)	-
- other current financial asset	-	4.06	(6.09)
- other current and non-current asset	(3.05)	-	-
- other non-current asset	-	(3.42)	-
Changes in working capital	**20.64**	**(373.19)**	**17.92**
Cash (used in) operations	**(169.05)**	**(503.47)**	**(975.45)**
Direct taxes paid (net of refunds)	(43.89)	(32.32)	(22.63)
Net cash flow (used in) operating activities (A)	**(212.94)**	**(535.79)**	**(998.08)**
B. Cash flow (used in) investing activities			
Purchase of property plant and equipment (including capital work-in-progress)	(0.80)	(76.52)	-
Purchase of equity shares/NCD/CCD / loan of subsidiaries	(1,126.27)	(6,997.63)	(21,308.09)
Conversion of loan given to subsidiaries to equity	-	-	(1,121.15)
Loans given to subsidiaries	(28,213.83)	(26,827.23)	(67,000.14)
Loans repaid by subsidiaries	4,028.46	5,713.00	26,912.59

INDIA GRID TRUST
SUMMARY OF STANDALONE CASH FLOWS

(All amounts in Rs. Million unless otherwise stated)

Interest received on loans given to subsidiaries	18,650.39	16,885.69	11,627.22
Dividend received from subsidiaries	221.90	282.66	-
Interest received on investment in fixed deposits	139.20	64.39	101.75
Income from investment in mutual funds	74.57	55.26	-
Investment in mutual funds	(19,965.61)	(44,432.58)	(37,646.87)
Proceeds from mutual funds	19,895.87	44,432.58	37,646.87
Investment in fixed deposits (net)	(449.58)	(1,899.53)	(42.15)
Net cash flow (used in) investing activities (B)	**(6,745.70)**	**(12,799.91)**	**(50,831.86)**
C. Cash flow (used in)/ from financing activities			
Proceeds from issue of unit capital	-	12,836.49	-
Unit issue expense incurred	-	(79.03)	-
Proceeds of long term borrowings	37,699.99	51,600.00	67,469.18
Repayment of long term borrowings	(17,433.20)	(31,440.18)	-
Payment of upfront fees of long term borrowings	(156.51)	(272.57)	(266.53)
Finance costs	(9,887.35)	(9,503.03)	(3,538.41)
Payment of distributions to unitholders	(9,161.93)	(8,864.21)	(7,057.93)
Net cash flow (used in)/ from financing activities (C)	**1,061.00**	**14,277.47**	**56,606.31**
Net change in cash and cash equivalents (A + B + C)	**(5,897.64)**	**941.77**	**4,776.37**
Cash and cash equivalents as at beginning of year (D)	7,846.97	6,905.20	2,128.83
Cash and cash equivalents as at the end of year (A + B + C + D)	**1,949.33**	**7,846.97**	**6,905.20**

INDIA GRID TRUST

SUMMARY OF STANDALONE ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 2023

(All amounts in Rs. Million unless otherwise stated)

	September 30, 2023
ASSETS	
Non-current assets	
Property, plant and equipment	0.28
Intangible assets	58.66
Financial assets	
i. Investment in subsidiaries	60,272.70
ii. Investments	3,188.46
iii. Loans	1,80,266.12
iv. Other financial assets	811.30
Other non-current assets	-
Income tax assets (net)	38.26
	2,44,635.78
Current assets	
Financial assets	
i. Investments	959.47
ii. Cash and cash equivalent	4,921.49
iii. Bank Balances other than (ii) above	3,053.68
iv. Other financial assets	8,425.04
Other current assets	11.60
	17,371.28
Total assets	**2,62,007.06**
EQUITY AND LIABILITIES	
Equity	
Unit capital	69,879.63
Other equity	
Retained earnings	2,948.53
Total unit holders' equity	**72,828.16**
Non-current liabilities	
Financial liabilities	
i. Borrowings	1,62,457.33
	1,62,457.33
Current liabilities	
Financial liabilities	
i. Borrowings	24,370.15

INDIA GRID TRUST

SUMMARY OF STANDALONE ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 2023

(All amounts in Rs. Million unless otherwise stated)

	September 30, 2023
ii. Trade payables	
a. Total outstanding dues of micro and small enterprises	0.52
b. Total outstanding dues of creditors other than micro and small enterprises	340.54
iii. Other financial liabilities	1,973.39
Other current liabilities	13.68
Current tax liabilities (net)	23.29
	26,721.57
Total liabilities	**1,89,178.90**
Total equity and liabilities	**2,62,007.06**

INDIA GRID TRUST

SUMMARY OF STANDALONE PROFIT AND LOSS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023

(All amounts in Rs. Million unless otherwise stated)

	September 30, 2023
INCOME	
Revenue from operations	12,389.45
Dividend income from subsidiaries	100.95
Income from investment in mutual funds	22.71
Interest income on investment in fixed deposits	128.65
Other income	1.41
Total income (I)	**12,643.17**
EXPENSES	
Insurance expenses	0.11
Investment management fees	345.31
Legal and professional fees	22.12
Annual listing fee	10.76
Rating fee	35.94
Valuation expenses	8.25
Trustee fee	11.81
Payment to auditors	
- Statutory audit fees	6.63
- Other services (including certification)	0.71
Other expenses	61.09
Depreciation and amortization expense	6.21
Finance costs	6,068.55
Impairment of investment in subsidiaries	1,567.50
Total expenses (II)	**8,144.99**
Profit before tax (III=I-II)	**4,498.18**
Tax expense	
Current tax	14.49
Deferred tax	-
Income tax for earlier years	-
Tax expense (IV)	**14.49**
Profit for the period (III-IV)	**4,483.69**
Other comprehensive income	
Other comprehensive income to be reclassified to profit or loss in subsequent periods	-

INDIA GRID TRUST

SUMMARY OF STANDALONE PROFIT AND LOSS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023

(All amounts in Rs. Million unless otherwise stated)

	September 30, 2023
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	-
Other comprehensive income for the period	**-**
Total comprehensive income for the period	**4,483.69**

INDIA GRID TRUST

SUMMARY OF STANDALONE CASH FLOW FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023

(All amounts in Rs. Million unless otherwise stated)

	September 30, 2023
A. Cash flow (used in) operating activities	
Net profit as per statement of profit and loss	**4,483.69**
Adjustment for taxation	14.49
Profit before tax	**4,498.18**
Non-cash adjustment to reconcile profit before tax to net cash flows	
Depreciation and amortization expense	6.21
Impairment of investment in subsidiaries	1,567.50
Unrealized mark to market loss / (gain) on mutual fund	(4.55)
Interest income on non convertible debentures	(116.63)
Finance cost	6,068.55
Interest income on loans given to subsidiaries	(12,272.82)
Dividend income from subsidiaries	(100.95)
Income from investment in mutual funds	(18.16)
Interest income on investment in fixed deposits	(128.65)
Operating loss before working capital changes	**(501.32)**
Movements in working capital :	
- trade payables	265.65
- other current and non-current financial liabilities	-
- other current and non-current liabilities	(0.46)
- other current and non-current financial asset	(1.19)
- other current and non-current asset	(5.14)
Changes in working capital	**258.86**
Cash (used in) operations	**(242.46)**
Direct taxes (paid) / refund	10.88
Net cash flow (used in) operating activities (A)	**(231.58)**
B. Cash flow (used in) investing activities	
Purchase of property plant and equipment (including capital work-in-progress)	-
Acquisition of subsidiaries	(21,965.27)
Loans given to subsidiaries	(55,288.21)
Loans repaid by subsidiaries	36,802.37

INDIA GRID TRUST

SUMMARY OF STANDALONE CASH FLOW FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023

(All amounts in Rs. Million unless otherwise stated)

	September 30, 2023
Interest received on loans given to subsidiaries	10,036.48
Dividend received from subsidiaries	100.95
Interest received on investment in fixed deposits	131.32
Income from investment in mutual funds	18.16
Investment in mutual funds	(28,333.36)
Proceeds from mutual funds	27,448.18
(Investment in) / proceeds from fixed deposits (net)	(635.92)
Net cash flow (used in) investing activities (B)	**(31,685.29)**
C. Cash flow (used in)/generated from financing activities	
Proceeds from issue of unit capital	4,035.00
Unit issue expense incurred	(58.52)
Proceeds of long term borrowings	53,400.00
Repayment of long term borrowings	(11,220.30)
Payment of upfront fees of long term borrowings	(335.85)
Finance costs	(6,101.31)
Payment of distributions to unitholders	(4,829.98)
Net cash flow generated from/(used in) financing activities (C)	**34,889.04**
Net change in cash and cash equivalents (A + B + C)	**2,972.16**
Cash and cash equivalents as at beginning of period (D)	1,949.33
Cash and cash equivalents as at the end of period (A + B + C + D)	**4,921.49**

SUMMARY FINANCIAL INFORMATION OF THE SPONSOR

The following tables set forth the summary financial information derived from the audited consolidated financial statements of the Sponsor which were prepared in accordance with IFRS, as of and for the calendar years ended December 31, 2022, December 31, 2021 and December 31, 2020.

The summary financial information of the Sponsor is included in this Preliminary Placement Document as per the requirements of the InvIT Regulations.

The degree to which the summary financial information included herein below will provide meaningful information is entirely dependent on the reader's level of familiarity with IFRS. Accordingly, any reliance by persons not familiar with IFRS on the summary financial information presented below should be limited.

S R B C & CO LLP, Chartered Accountants have not audited the audited consolidated financial statements of the Sponsor and have not performed any service with respect to the summary financial information of the Sponsor presented below, which has been derived from the audited consolidated financial statements of the Sponsor.

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ESOTERIC II PTE. LTD.

STATEMENT OF FINANCIAL POSITION FOR THE LAST 3 CALENDAR YEAR

	2022	2021	2020
	US$	US$	US$
ASSETS			
Current assets			
Cash and cash equivalents	17,129	1,42,504	5,03,229
Other receivables	5,344	15,819	12,761
Amount due from immediate holding companies	4,91,98,540	3,62,26,019	2,09,21,982
Total current assets	4,92,21,013	3,63,84,342	2,14,37,972
Non-current asset			
Investment	28,07,54,026	32,53,90,474	22,29,97,358
Total assets	32,99,75,039	36,17,74,816	24,44,35,330
LIABILITY AND EQUITY			
Current liability			
Other payables	24,227	37,980	91,514
Capital and reserves			
Share capital	2,16,96,599	2,16,96,599	1,71,46,687
Capital reserves	18,61,98,774	18,61,98,774	14,52,49,559
Retained earnings	12,20,55,439	15,38,41,463	8,19,47,570
Total equity	32,99,50,812	36,17,36,836	24,43,43,816
Total liability and equity	32,99,75,039	36,17,74,816	24,44,35,330

ESOTERIC II PTE. LTD.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE LAST 3 CALENDAR YEAR ENDING

	2022	2021	2020
	US$	US$	US$
Change in fair value on financial assets at fair value through profit or loss	-4,08,89,808	6,37,75,317	4,11,30,209
Loss on disposal of investment	–	-1,99,668	–
Interest income	2,40,26,095	2,01,49,437	–
Dividend income	–	16,28,027	2,20,56,744
Management fee	-72,000	-72,000	-72,000
Operating expenses	-4,62,960	-18,55,445	-18,63,467
(Loss) Profit before income tax	-1,73,98,673	8,34,25,668	6,12,51,486
Income tax	-13,11,825	-11,00,159	-
(Loss) Profit for the year, representing total comprehensive (loss) income for the year	-1,87,10,498	8,23,25,509	6,12,51,486

ESOTERIC II PTE. LTD.

STATEMENT OF CASH FLOWS FOR THE LAST 3 CALENDAR YEAR ENDING

	2022	2021	2020
	US$	US$	US$
Operating activities			
(Loss) Profit before income tax	-1,73,98,673	8,34,25,668	6,12,51,486
Adjustments for:			
Change in fair value on financial asset at fair value through profit or loss	4,08,89,808	-6,37,75,317	-4,11,30,209
Withholding tax expense	–	–	11,92,111
Interest income	-2,40,26,095	-2,01,49,437	–
Dividend income	–	-16,28,027	-2,20,56,744
Loss on disposal of investment	–	1,99,668	
Realised foreign exchange loss	3,40,861	–	
Operating cash flows before movements in working Capital	-1,94,099	-19,27,445	-7,43,356
Amount due from immediate holding companies	-1,96,93,737	-2,57,35,653	-2,08,63,232
Other receivable	10,475	-3,058	10,37,033
Other payables	-13,753	-53,534	75,363
Cash used in operations, representing net cash used in operating activities	-1,98,91,114	-2,77,19,690	-2,04,94,192
Investing activities			
Acquisition of financial asset at fair value through profit or loss	–	-4,38,90,015	–
Proceeds from return of investment	34,05,779	50,72,548	–
Withholding Tax Paid	–	–	-11,92,111
Interest income received	2,27,14,270	1,90,49,278	–
Dividend income received	–	16,28,027	2,20,56,744
Net cash generated from (used in) generated from investing activities	2,61,20,049	-1,81,40,162	2,08,64,633
Financing activities			
Dividends paid	-63,54,310	–	–
Repayment of loan to immediate holding companies	–	-9,45,00,873	-39,00,000
Loan received from immediate holding companies	–	14,00,00,000	–
Net cash (used in) generated from financing activities	-63,54,310	4,54,99,127	-39,00,000
Net decrease in cash and cash equivalents	-1,25,375	-3,60,725	-35,29,559
Cash and cash equivalents at beginning of the year	1,42,504	5,03,229	40,32,788
Cash and cash equivalents at end of the year	17,129	1,42,504	5,03,229

SUMMARY FINANCIAL INFORMATION OF THE INVESTMENT MANAGER

The following tables set forth the summary financial information derived from the financial statements of the Investment Manager, which was prepared in accordance with Ind AS, as defined in Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended, prescribed under the Section 133 of the Companies Act, as of and for the Fiscals 2023, 2022 and 2021.

The degree to which the summary financial information included herein below will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Ind AS, the Companies Act and the InvIT Regulations. Accordingly, any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the InvIT Regulations on the summary financial information presented below should be limited.

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INDIGRID INVESTMENT MANAGERS LIMITED
SUMMARY OF ASSETS AND LIABILITIES

(All amounts in Rs. million unless otherwise stated)

	31 March 2023	31 March 2022	31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	26.97	55.72	32.76
Right of use asset	12.53	-	-
Intangible assets	0.16	-	-
Capital work-in-progress	-	-	22.60
Financial assets			
i. Investments	74.51	82.21	47.79
ii. Other financial assets	6.37	3.31	2.17
Tax asset (net)	10.25	-	-
Other non-current assets	-	22.17	8.00
	130.79	**163.41**	**113.32**
Current assets			
Financial assets			
i. Investments	233.86	123.78	-
ii. Trade receivables	84.13	82.69	79.26
iii. Cash and cash equivalents	1.70	1.37	102.92
iv. Bank Balances other than (iii) above	-	20.00	20.00
v. Other financial assets	10.93	3.00	2.94
Other current assets	0.22	0.69	12.58
	330.84	**231.53**	**217.70**
Total assets	**461.63**	**394.94**	**331.02**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12.50	12.50	12.50
Other equity			
Securities premium	117.50	117.50	117.50
Retained earnings	167.00	80.20	21.43
Capital Reserve	28.13	28.13	28.13
Total equity	**325.13**	**238.33**	**179.56**
Non-current liabilities			
Financial liabilities			
i. Borrowings	-	-	22.20
ii. Leases	6.13	15.06	-
Provision	21.54	-	-
Employee benefit obligations	-	35.30	15.30
Deferred tax liabilities (net)	1.60	3.53	-
	29.27	**53.89**	**37.50**
Current liabilities			
Financial liabilities			
i. Leases	9.98	9.63	-
ii. Trade payables			
a. Total outstanding dues of micro enterprises and small enterprises	-	-	1.87
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	18.48	0.68	4.05
iii. Other financial liabilities	29.67	42.14	67.66
Provision	42.50	-	-
Employee benefit obligations	-	45.39	24.99
Other current liabilities	6.60	4.88	15.39
	107.23	**102.72**	**113.96**
Total liabilities	**136.50**	**156.61**	**151.46**
Total equity and liabilities	**461.63**	**394.94**	**331.02**

INDIGRID INVESTMENT MANAGERS LIMITED
SUMMARY OF PROFIT AND LOSS

(All amounts in Rs. million unless otherwise stated)

	31 March 2023	31 March 2022	31 March 2021
INCOME			
Revenue from contracts with customers	381.61	370.38	278.55
Other income	7.32	8.45	2.07
Total income (I)	**388.93**	**378.83**	**280.62**
EXPENSES			
Employee benefit expenses	192.02	229.50	189.25
Valuation expenses	-	0.28	-
Other expenses	67.53	47.42	50.39
Total expenses (II)	**259.55**	**277.20**	**239.64**
Earning before interest, tax, depreciation and amortisation (EBITDA) (III = I - II)	**129.38**	**101.63**	**40.98**
Depreciation and amortization expense	18.26	16.66	9.68
Finance costs	2.08	2.50	3.17
Finance income	(9.15)	(10.58)	(17.67)
Profit before tax (IV)	**118.19**	**93.05**	**45.80**
Current tax	33.79	30.37	7.61
Deferred tax	(1.93)	3.53	-
Income tax for earlier years	0.06	-	0.58
Tax expense (V)	**31.92**	**33.90**	**8.19**
Profit for the year (IV - V)	**86.27**	**59.15**	**37.61**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods	-	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)	(0.53)	0.38	0.02
Other comprehensive income for the year	**(0.53)**	**0.38**	**0.02**
Total comprehensive income for the year	**86.80**	**58.77**	**37.59**

INDIGRID INVESTMENT MANAGERS LIMITED
SUMMARY OF CASH FLOWS

(All amounts in Rs. million unless otherwise stated)

	31 March 2023	31 March 2022	31 March 2021
A. Cash flow generated from operating activities			
Profit before tax	**118.19**	**93.05**	**45.78**
Non-cash adjustment to reconcile profit before tax to net cash flows			
Depreciation expenses	18.26	16.66	9.68
Profit on sale of assets	(0.08)	-	-
Finance cost	2.08	2.50	3.17
Income from investment in mutual funds	(7.47)	(9.93)	(15.84)
Distribution received from IGT units	(7.24)	(6.55)	-
Interest income on investment in fixed deposits	(0.62)	(0.51)	(0.09)
Other comprehensive income	0.53	-	-
Other finance income	(1.06)	(0.14)	(1.74)
Operating profit before working capital changes	**122.59**	**95.08**	**40.96**
Movements in working capital :			
- trade payables	10.33	(5.24)	(8.64)
- other current and non-current financial liabilities	(18.34)	-	-
- other current financial liabilities	-	(10.05)	39.56
- other current and non-current liabilities	(1.17)	-	-
- other current liabilities	-	9.89	40.00
- trade receivables	(1.44)	(3.43)	25.85
- other current and non-current financial asset	(10.53)	-	-
- other non-current financial asset	-	(1.14)	1.17
- other current financial asset	-	0.27	1.23
- other current and non-current asset	1.11	-	-
- other non-current asset	-	(0.64)	-
- other current asset	-	11.89	(6.72)
Changes in working capital	**(20.04)**	**14.87**	**92.45**
Cash generated from operations	**102.55**	**109.95**	**131.41**
Direct taxes paid (net of refunds)	(28.45)	(38.02)	11.30
Net cash flow generated from operating activities (A)	**74.10**	**71.93**	**144.71**
B. Cash flow (used in) investing activities			
Purchase of property plant & equipment (including capital work-in-progress)	(0.28)	(22.90)	(23.66)
Proceeds from sale of property plant & equipment	4.04	-	-
Investment in units of InvIT	7.70	(34.42)	(47.79)
Interest received on investment in fixed deposits	0.66	0.18	-
Income from investment in mutual funds	7.47	9.93	15.84
Distribution received from IGT units	7.24	6.55	-
Other finance income	1.06	0.14	1.74
Investment in mutual funds	(498.77)	(980.56)	-
Proceeds from mutual funds	388.69	856.78	2.56
Proceeds from fixed deposits (net)	19.50	-	(20.00)
Net cash flow (used in) investing activities (B)	**(62.69)**	**(164.30)**	**(71.31)**
C. Cash flow (used in) financing activities			
Finance costs	(2.08)	(2.50)	(0.16)
Payment of leases	(9.00)	(6.68)	(7.20)
Net cash flow (used in) financing activities (C)	**(11.08)**	**(9.18)**	**(7.36)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**0.33**	**(101.55)**	**66.04**
Cash and cash equivalents as at beginning of year	1.37	102.92	36.88
Components of cash and cash equivalents as at year end	**1.70**	**1.37**	**102.92**

SUMMARY OF INDUSTRY

*The information in this section is derived from the report entitled "Market Assessment of India power transmission sector in December, 2023", prepared by CRISIL Market Intelligence & Analytics (the "CRISIL Report") except for other publicly available information as cited in this section. We commissioned the CRISIL Report for the purposes of confirming our understanding of the industry in connection with the Issue. Further, the CRISIL Report was prepared based on information as of specific dates which may no longer be current or reflect current trends and opinions in the CRISIL Report may be based on estimates, projections, forecasts and assumptions that may prove to be incorrect. CRISIL Market Intelligence & Analytics, a division of CRISIL Limited ("**CRISIL MI&A**"), has advised that while it has taken due care and caution in preparing the CRISIL Report based on the information obtained by CRISIL MI&A from sources which it considers reliable, the results that can be or are derived from these findings are based on certain assumptions and parameters / conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged. Further, the CRISIL Report is not a recommendation to invest / disinvest in any entity covered in the CRISIL Report. CRISIL especially states that it does not have access to information obtained by CRISIL Ratings Limited, which may, in their regular operations, obtain information of a confidential nature. The views expressed in the CRISIL Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. Prospective investors are advised not to unduly rely on the CRISIL Report.*

Overview of India's macroeconomy

Economic indicators

As per data released by the National Statistical Office (NSO) in May 2023, India's gross domestic product (GDP) at constant (fiscal 2012) prices was estimated at Rs 160.06 lakh crore in fiscal 2023 vis-à-vis the first revised estimate (RE) for fiscal 2022 of Rs 149.26 lakh crore, which translated into a growth of 7.2%. This was slower than the 9.1% growth in fiscal 2022. However, India has overtaken the United Kingdom's economy in terms of size, making it the fifth biggest. In fact, India's GDP growth is estimated to be the highest amongst the top 10 economies.

GDP trajectory (% change)

At basic prices	FY18	FY19	FY20	FY21	FY22	FY23E	At market prices	FY18	FY19	FY20	FY21	FY22	FY23 E
							GDP	6.8%	6.5%	3.9%	-5.8%	9.1%	7.2%
Agriculture	6.6%	2.1%	5.5%	3.3%	3.5%	4.0%	Private consumption	6.2%	7.1%	5.2%	-6.0%	11.1%	7.5%
Industry	5.9%	5.3%	-1.4%	-3.3%	14.8%	10.0%	Govt. consumption	11.9%	6.7%	3.4%	3.6%	6.6%	0.1%
Manufacturing	7.5%	5.4%	-2.9%	-0.6%	11.1%	1.3%	Fixed investment	7.8%	11.2%	1.6%	-10.4%	14.6%	11.4%
Mining and quarrying	-5.6%	-0.8%	-1.5%	-8.6%	7.1%	4.6%	Exports	4.6%	11.9%	-3.4%	-9.2%	29.3%	13.6%
Services	6.3%	7.2%	6.3%	-7.8%	9.7%	7.2%	Imports	17.4%	8.8%	-0.8%	-13.8%	21.8%	17.1%

E: Estimated
Source: NSO, CEIC, CRISIL Consulting

India's power sector
India's power sector is highly diversified, with sources of power generation ranging from conventional (coal, lignite, natural gas, oil, hydro and nuclear power) to viable, non-conventional sources (such as wind, solar, and biomass and municipal waste). Transmission and Distribution infrastructure has expanded over the years for evacuation of power from generating stations to load centres through the intra-state and inter-state transmission system (ISTS).

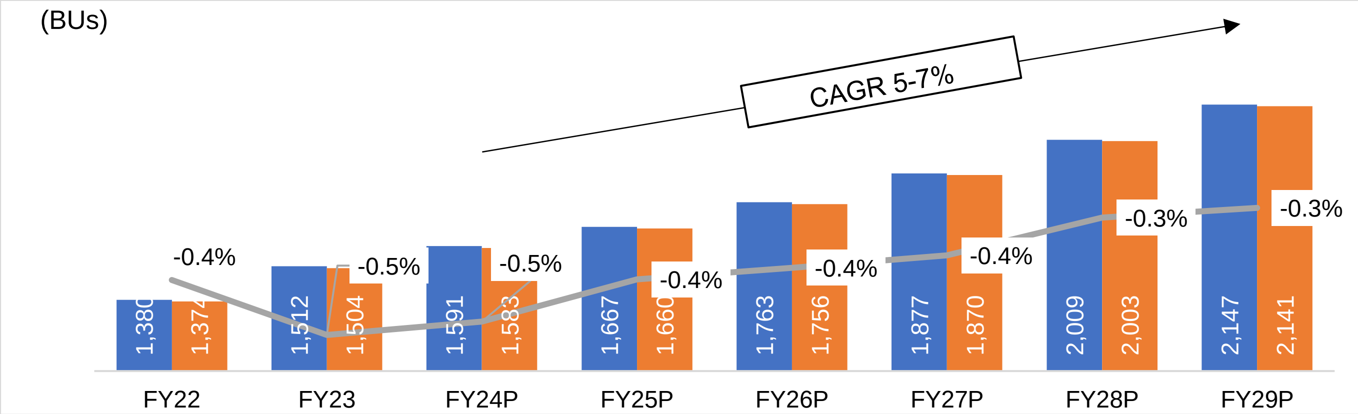
The sector is highly regulated, with various functions being distributed between multiple implementing agencies. The three chief regulators for the sector are: the Central Electricity Regulatory Commission (CERC), the Central Electricity Authority (CEA), and the State Electricity Regulatory Commissions (SERCs).

i. Energy demand-supply forecast, fiscals 2024 to 2029

CRISIL Consulting expects energy demand to clock 5-7% CAGR over fiscals 2024 to 2029, significantly higher than the

~3.8% CAGR over the past 5 years. CRISIL Consulting expects all-India deficit to decline from 0.5% in fiscal 2023 to 0.3% by fiscal 2029 on account of increasing renewable capacity additions, transmission line augmentation, and improvement in distribution infrastructure.

Energy demand outlook (fiscals 2022-29) in BUs



P: Projected, Source: CEA, CRISIL Consulting

The constant rise in peak demand can be attributed to the economic growth, seasonal vagaries, and an increasing daily average temperature that India has experienced over the last decade leading peak demand to touch 224 GW in June 2023. Peak demand is expected to grow at annual average 6-7% over FY24-FY29 to reach nearly 367 GW by FY29 with expected persistent high temperatures, rising urbanization, economic growth and infrastructure push leading to higher power consumption.

Installed generation capacity across fuels reached 426 GW as of October 2023 during fiscal 2024, on the back of healthy renewable capacity additions of ~56 GW over fiscals 2018-23 and is expected to reach 620-630 GW by fiscal 2029 as renewable capacity additions (solar, wind and hydro) nearly reach to 170-180 GW over the next five years. Storage-based capacity, consisting of pumped hydro and battery energy storage systems, is likely to reach 36-38 GW by fiscal 2029, driven by PSP and battery energy storage system (BESS) capacity additions of 8-9 GW and 25-26 GW, respectively, over fiscals 2025-29. Also, India's renewed ambitious target of reaching 500 GW of non-fossil fuel capacity by 2030 is likely to involve enhancement of the hydro capacity pipeline to support core renewables such as solar and wind.

CRISIL Consulting expects 130-140 GW of solar capacity addition in the next five years, followed by 35-38 GW through wind. Growth in capacity additions will be driven by government support, with an aggressive tendering roadmap outlined by the government. A few external factors such as an improvement in technology (floating solar and module efficiency), low-cost financing and policy push are enablers.

Power Transmission Segment in India

The transmission segment plays a key role in transmitting power continuously to various distribution entities across the country. The transmission sector needs concomitant capacity addition, in line with generation capacity addition, to enable seamless flow of power.

A T&D system comprises transmission lines, substations, switching stations, transformers, and distribution lines. To ensure reliable supply of power and optimal utilisation of generating capacity, a T&D system is organised in a grid which interconnects various generating stations and load centres. This is done to ensure uninterrupted power supply to a load centre, even if there is a failure at the local generating station or a maintenance shutdown. In addition, power can be transmitted through an alternative route if a particular section of the transmission line is unavailable.

In India, the T&D system is a three-tier structure comprising distribution networks, state grids, and regional grids. The distribution networks and state grids are owned and operated by the respective state transmission utilities or state governments (through state electricity departments). Most inter-state and inter-regional transmission links are owned and operated by the Power Grid Corporation of India Ltd (PGCIL) which facilitates the transfer of power from a surplus region to one with deficit.

The T&D system in India operates at several voltage levels:

- Extra high voltage (EHV): 765 kV, 400 kV and 220 kV
- High voltage: 132 kV and 66 kV
- Medium voltage: 33 kV, 11 kV, 6.6 kV and 3.3 kV
- Low voltage: 1.1 kV, 220 volts and below

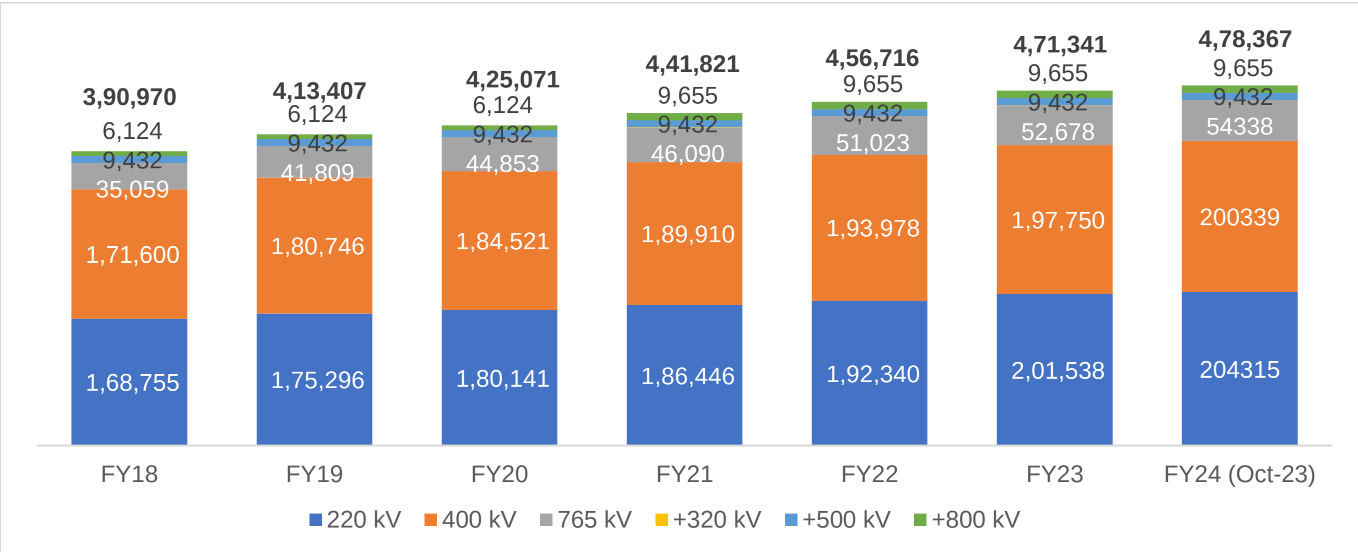
Transmission and sub-transmission systems supply power to the distribution system, which, in turn, supply power to end consumers. To facilitate the transfer of power between neighbouring states, state grids are inter-connected through high-voltage transmission links to form a regional grid. There are five regional grids:

- Northern region: Delhi, Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Rajasthan, Uttarakhand, and Uttar Pradesh
- Eastern region: Bihar, Jharkhand, Orissa, Sikkim, and West Bengal
- Western region: Dadra and Nagar Haveli, Daman and Diu, Chhattisgarh, Goa, Gujarat, Madhya Pradesh, and Maharashtra
- Southern region: Andhra Pradesh, Karnataka, Kerala, Puducherry, and Tamil Nadu
- North-eastern region: Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, and Tripura

As peak demand for power does not take place at the same time in all states, it results in a surplus in one state and deficit in another. Regional or inter-state grids facilitate the transfer of power from a surplus region to the one facing a deficit. Additionally, they also facilitate the optimal scheduling of maintenance outages and better coordination between power plants.

There has been strong growth in the transmission system at higher voltage levels and substation capacities. This is a result of increased requirement of the transmission network to carry bulk power over longer distances and at the same time optimise the right of way, minimise losses and improve grid reliability

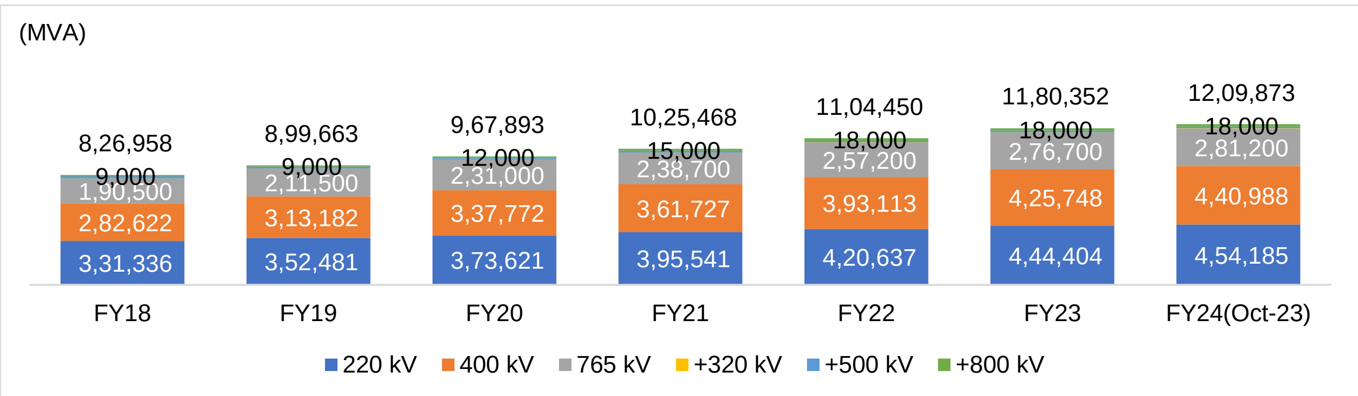
Strong growth in the length of high voltage transmission lines (220 kV and above)



Source: CEA, CRISIL Consulting

Sub-station capacities in the country have grown from 826,958 MVA in fiscal 2018 to reach 1,180,352 MVA in fiscal 2023, at a CAGR of 7.4%.

Robust growth in high voltage sub-station transformation capacity (above 220 kV)



Source: CEA, CRISIL Consulting

Unification of regional grids into the national grid

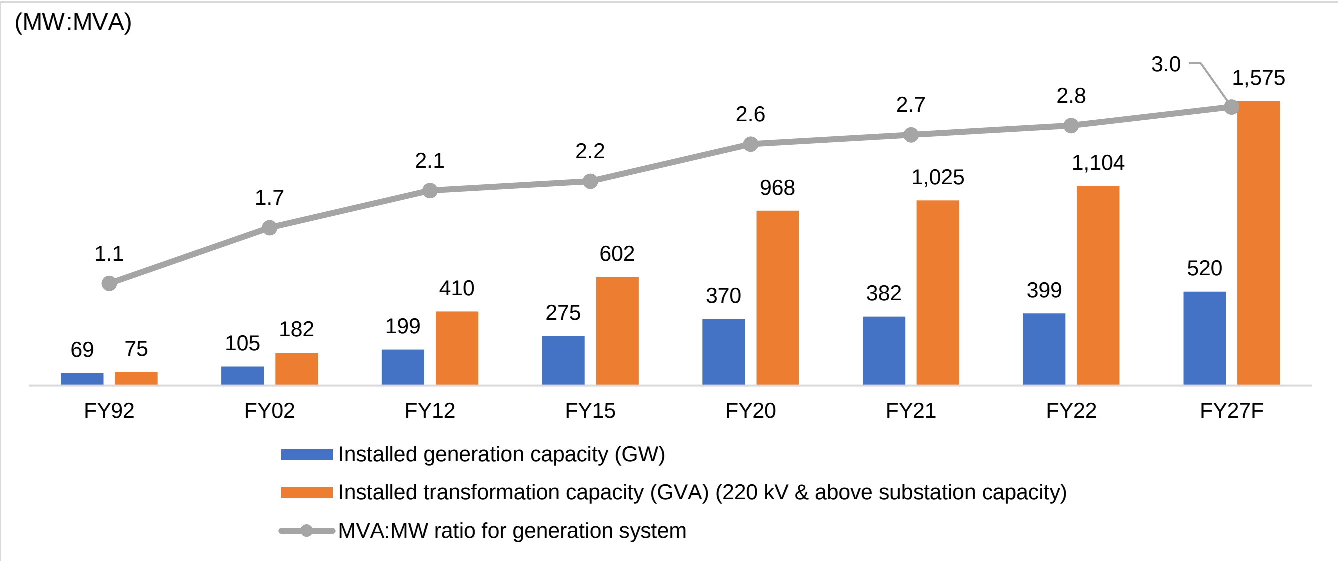
To facilitate the transfer of power between neighbouring states, state grids are inter-connected through high-voltage transmission links to form a regional grid. There are five regional grids, namely, Northern, Western, Southern, Eastern and North-eastern regional grid. As peak demand for power does not take place at the same time in all states, it results in a surplus in one state and a deficit in another. Regional or inter-state grids facilitate the transfer of power from a surplus region to the one facing a deficit. Additionally, they also facilitate the optimal scheduling of maintenance outages and better coordination between power plants.

The Indian national grid has evolved over a period of past 60 years all the way from isolated state grids to regional grids and finally with the commissioning of 765 kV transmission line between Raichur and Solapur in December 2013 India achieved one nation one Grid status. Although the interregional transmission capacity is still low, unification of grid has helped in bridging the gap between load centers to the demand centers in IndiaOver the medium term, investments in the transmission sector are expected to focus on forming the national grid, by setting up inter-regional links and strengthening the regional and intra-state grids. Inter-regional power transmission capacity has increased from 14 GW in fiscal 2007 to 112.25 GW as of February 2023.

Transmission investments of Rs 3.8-4.0 trillion expected over 2021-25

The estimated investment in the transmission sector is expected to be Rs 3.8-4.0 trillion over the 13th Five Year Plan. Investments are expected to be driven by the need for robust and reliable inter and intra-state transmission systems, to support continued addition of generation capacity, a strong push for renewable energy capacities, and rural electrification. Furthermore, the strong execution capability of PGCIL, more focus on intra-state networks, and rising private-sector participation with favorable risk-return profile of transmission projects will also support investment growth. With the introduction of TBCB and viability gap funding schemes for intra-state projects, the share of private sector players in the power transmission sector is expected to increase gradually over the next five years.

Transformation vs generation capacity



F: Forecasted; Source: CEA, CRISIL Consulting

Consequently, in the transmission line segment, robust growth in HV lines of 400kV and 765kV is expected due to its importance in inter-state transmission lines. Higher voltage level enhances power density, reduces losses, and efficiently delivers bulk power. Moreover, it reduces the requirement of right-of-way due to less land requirement, a key challenge facing the transmission sector. Thus, CRISIL Consulting believes the MVA:MW ratio would further improve to around 3.0 by March 2027.

Key Growth Drivers for growth in transmission sector

Some of the key growth drivers for the transmission segment in India are:

Widening gap between inter-regional power demand-supply to drive transmission capacity additions

As per CTUIL, the total power generation capacity (including renewable energy and energy storage) at a pan India would rise to ~703 GW in fiscal 2027 from ~416 GW in fiscal 2023. However, the upcoming generation capacity will not be spread evenly across India. Most of the upcoming renewable capacities would be concentrated in the northern (specifically in Rajasthan), western and southern regions of India, while significant thermal capacities would commission close to the coal mines in eastern and central regions of India. The addition of such large quantity of generation capacities would necessitate the investments in transmission segment to supply power to different demand centers.

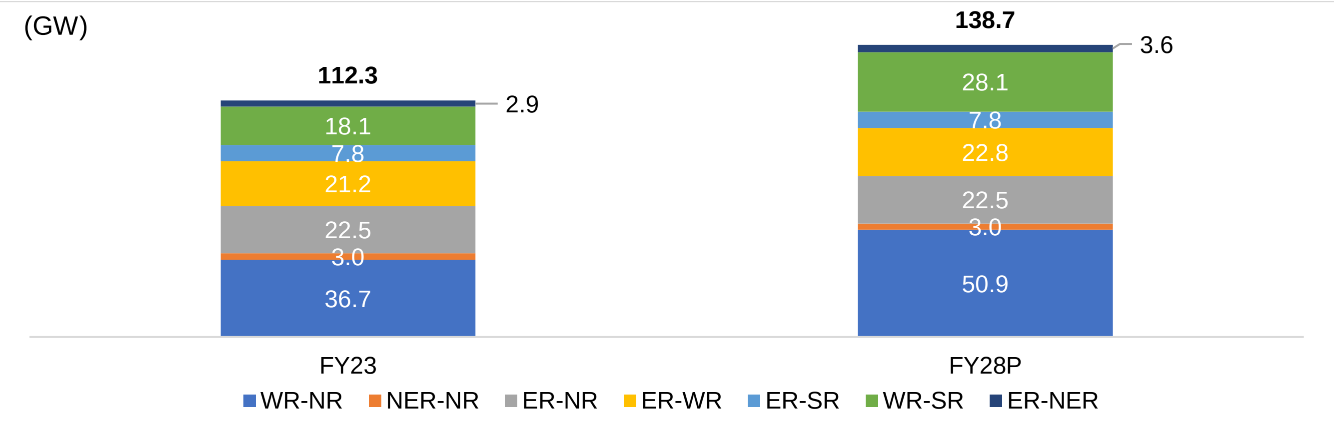
Further, the infirm nature of renewable energy (extreme variations in the power output) would give rise to grid issues unless the generated power is distributed over longer distances and to multiple demand centers via transmission lines. Moreover, there exists significant variation in demand on account of seasonal differences and time of day demand differences, which will necessitate large inter-regional transmission capacities to prevent grid fluctuations.

As a result, to reduce the demand-supply mismatch, government has planned to increase the interregional power transfer capacity to 138,740 MW by FY 2028. Moreover, the share of inter-regional transmission capacity is expected to increase from 13.9% in fiscal 2012 to 20% in fiscal 2028 (inter-regional transmission capacity as a fraction of total installed generation capacity), resulting in growth of investment in the power transmission sector.

To facilitate inter-regional power transfer capabilities from power surplus regions to deficit regions, CTUIL estimates regional power transmission capacity by fiscal 2028 at 138,740 MW.

The inter-regional transmission line corridor expansion requirement, as per CEA estimates, would be as follows:

Inter-regional transmission links and capacity (GW)



P: Projected

Source: CEA, CTUIL ISTS Rolling plan 2027-28 Report; CRISIL Consulting

To cater to the above import/export requirement, a number of inter-regional transmission corridors have been planned and some of these high-capacity transmission corridors are in various stages of implementation, taking care of past under investments in grid.

As per CTUIL, ISTS Rolling plan 2027-28, the total inter-regional transmission capacity addition during the fiscal 2024-2028 period to be ~26,690 MW. With such capacity augmentations, total inter-regional capacity would grow from ~1,12,250 MW as on March-2023 to about 138,740 MW by the end of fiscal 2028.

Strong renewable energy capacity additions to also drive transmission capacity

Power generation in India is dominated by coal-based generation contributing to ~50% of the total installed capacity in India. Further, with ~213 GW installed capacity; the coal-based generation contributes to around 3/4th of total electricity generation in India. However, there has been a staggering growth in installed capacity of Renewable energy sources from 63 GW in fiscal 2012 to 80 GW in fiscal 2015, further reaching to ~179 GW (including large hydro) in Oct-2023.

Transmission system for 55.08 GW RE capacity has already been planned and status of the transmission schemes is given below:

Transmission scheme	RE capacity (GW)	Status of Transmission Scheme
Transmission schemes for 20 GW RE capacity in Rajasthan under Phase III	14	Transmission schemes are under bidding.
	6	The transmission scheme comprises of 6,000 MW, +800 kV HVDC system between Bhadla-III and Fatehpur. The scheme has been recommended by NCT in its 9th

Transmission scheme	RE capacity (GW)	Status of Transmission Scheme
		meeting held on 28.09.2022. Subsequent activities are in progress for initiating bidding of the scheme.
Transmission scheme for 13 GW Leh RE park	13	The transmission scheme comprises of + 350 kV, 5,000 MW VSC based HVDC link from Pang to Kaithal. Scheme allocated to PowerGrid in January 2022, for implementation through RTM route.
Transmission scheme for 880 MW Kaza Solar Park, Himachal Pradesh	0.88	Transmission system planned. To be taken up for implementation in matching timeframe of RE Generation
Transmission scheme for additional 17.2 GW RE capacity from Khav-da and 4 GW RE capacity from Dholera, Gujarat	21.2	Transmission system planned. To be taken up for implementation in matching timeframe of RE Generation
Total	**55.08**	

Source: CEA

Upgradation of existing lines critical to meet rising power demand in an economical way

India has ~4.71 lakh ckm of transmission network as on April 2023 of which most of the lines are using the Aluminium core steel reinforced (ACSR) conductor. This type of conductor is having lower current carrying capacity and lower withstand temperature (85 ºC) capacity as compared to other latest available technology and substitutes

Improving power scenario and measures to stabilize grid to lead to transmission corridors to neighboring countries

Power deficit in India has been on a declining trajectory with energy deficit shrinking to 0.5% for fiscal 2023 as compared 3.6% in fiscal 2015. Thus, with healthy availability of power, India is evaluating opportunities to tap neighbouring countries for better integration and synergies.

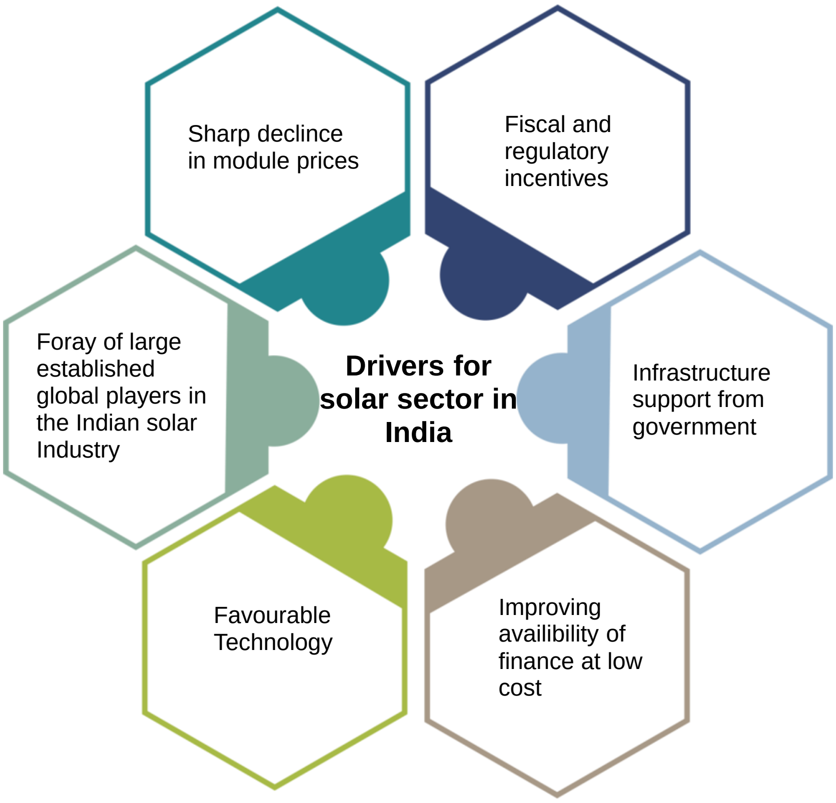
India and its neighboring countries are interlinking the electricity transmission systems allowing surplus power to be exported to other grid while simultaneously importing large hydro based power from Nepal and Bhutan.

India is linked to its neighboring countries through a network of electrical interconnections, with a total power transfer capacity of approximately 4,230 MW.

Strong government support to also drive transmission investments

Government support to power transmission is expected to continue. In the past, it has supported the transmission segment through several measures – increasing the concession period of a transmission asset, relaxation of norms to speed up project construction and implementation of UDAY scheme to boost power demand, which in turn, will eventually result in rise in transmission requirements.

Growth drivers for the solar sector in India



Source: CRISIL Consulting

Each growth driver for solar energy in India is detailed below:

1. Declining module prices and tariffs

The global average solar module price, which constitutes 55-60% of the total system cost, crashed 73% to $0.47 per watt-peak in 2016 (average for January-December) from $1.78 per watt-peak in 2010. In fact, prices continued to decline to $0.22 per watt-peak by end-August 2019, owing to the wide demand-supply gap in the global solar module manufacturing industry. Historically, global solar demand has been half of the total module manufacturing capacity. Moreover, innovation in the manufacturing processes has reduced costs, putting downward pressure on module prices. Further, declining inverter prices (6-7% of the capital cost), which fell to $21 per watt-peak by March 2020, reduced system costs. Module prices reached $0.22 per watt-peak level in fiscal 2021.

2. Strong government thrust

The GoI has laid significant emphasis on climate change, for which it provided a framework, National Action Plan on Climate change (NAPCC), in 2008, where it proposed an eight-pronged strategy — National Solar Mission (NSM), energy efficiency, sustainable habitat, water planning, Himalayan ecosystem, afforestation, sustainable agriculture, and strategic knowledge on climate change. As can be seen, the GoI has laid significant emphasis on solar power. This is also evident from the 100 GW out of 175 GW target set out by the GoI.

Solar capacity additions in India from fiscals 2018-2023

Robust pick-up in solar additions in fiscal 2022; momentum expected to continue

The GoI imposing solar RPOs across Indian states in 2011, coupled with the sharp drop in capital costs, led to most states releasing solar polices. This resulted in a spur in solar sector investments. Till fiscal 2012, only Gujarat and Rajasthan had state solar policies. After the success of Gujarat's solar policy, other states such as Andhra Pradesh, Tamil Nadu, Karnataka, Madhya Pradesh, and Telangana introduced their respective solar polices.

During fiscal 2018-2023, ~55 GW of solar capacity has been commissioned compared with the expected commissioning of 60-65 GW. Despite the second pandemic wave, ~14 GW of solar capacity was added in fiscal 2022. The momentum continued in fiscal 2023, with robust solar capacity additions of ~13 GW.

Commissioning activity has been concentrated in the key states of Rajasthan, Gujarat, and Tamil Nadu, where of ~8 GW capacity was added in fiscal 2023; ~65% share was concentrated in these three states combined. In the previous fiscal as well, the installation trend was driven by the same states.

Sales model for RE projects driven by state & central allocations; REC and open access sales limited

In the current scenario, there are five operating business models for solar PV systems energy projects.

a. Sale of power to state discoms through long-term PPAs

b. Sale of power through long-term PPAs with NVVN and SECI under NSM

c. Sale of power under a bilateral agreement through an open access route

d. Captive consumption of renewable power via open access

e. Sale of power through the Renewable Energy Certificate route

Supply-side disruptions, additional taxes, and intermittent hurdles such as the Great Indian Bustard (GIB) litigation have often led to a pile-up of tenders in the market or an increase in bid tariffs, prolonging the time taken to sign PSAs with distribution utilities. Robust allocations over fiscals 2018 to 2020 propped up a healthy pipeline for commissioning over fiscals 2023 to 2024; fiscal 2021 was a weak year, given the pandemic-led halt in activities. However, allocations and consequent additions to the pipeline turned weaker post fiscals 2018 and 2019, comparatively, with allocation getting delayed. That said, nodal agencies, especially central, are keen on allocating large tenders hereon, such as the manufacturing-linked 7 GW tender, or those in the range of 1.2-2.5 GW in the current scenario.

SUMMARY OF BUSINESS

Overview

We are India's first listed power sector infrastructure investment trust, sponsored by the Sponsor, being Esoteric II Pte. Ltd., a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR. IndiGrid was established on October 21, 2016 and is registered with SEBI pursuant to the InvIT Regulations. IndiGrid was established to own and operate power transmission and renewable energy assets in India. We own 33 operating projects, consisting of 17 transmission projects and 16 solar projects. The transmission projects consist of 46 EHV overhead power transmission lines, comprising 132 kV transmission lines, 400 kV transmission lines and 765 kV transmission lines, with a total circuit length of approximately 8,468 ckms and 13 substations with approximately 17,550 MVA of transformation capacity, across 19 states and 1 union territory in India. The Solar Projects have an aggregate capacity of 555 MW and are located across the states of Andhra Pradesh, Punjab, Tamil Nadu, Rajasthan, Gujarat, Maharashtra, Madhya Pradesh and Uttar Pradesh. IndiGrid has assets under management worth of approximately ₹ 2,69,000 million as on September 30, 2023. IndiGrid Investment Managers Limited, is the investment manager of the InvIT and is 100% owned by Electron IM Pte. Ltd., an affiliate of KKR. We have consistently been given a corporate credit rating of 'CRISIL AAA/Stable' by CRISIL, 'IND AAA'/Stable by India Ratings and 'ICRA AAA (Stable)' by ICRA.

We are focused on providing stable and sustainable distributions to our Unitholders. We believe that we are well positioned to take advantage of the growth potential of India's power industry given the quality of our power transmission assets and our financial position, support from our Sponsor and the robust regulatory framework for power transmission and solar projects in India. We believe the infrastructure necessary to transmit and deliver electricity is vital to India's continued economic advancement, given the inter-regional power deficit in India resulting from a mismatch between power generation and load centers and the demand-supply deficit which is expected to result from India's projected GDP growth.

Our continued focus and strategy will be on accretive acquisition of power transmission and solar projects with annuity profile in their respective TSAs and long terms PPAs yielding stable cash flows, operational track record, good quality equipment and financially strong and creditworthy counterparties. For further details, please see the section entitled "*Industry Overview*" on page 169.

We own 33 projects: (i) BDTCL, JTCL, PKTCL, RTCL, MTL, NTL, OGPTL and ENICL, that we acquired from SPTL in May 2017, May 2017, February 2018, February 2018, February 2018, June 2019, July 2019, May 2020, respectively and GPTL that we acquired from SGL4 in August 2020; (ii) PTCL, that we acquired from TEECL and TPGCL in August 2018; (iii) JKTPL that we acquired from KPTL and TEECL in October 2020; (iv) PrKTCL that we acquired from Reliance Infrastructure Limited in January 2021; (v) NER, which was acquired from SGL4 in March 2021, (vi) Kallam which was acquired from REC Power Development and Consultancy Limited in December 2021, (vii) IGL Solar I and IGL Solar II, which were acquired from FRV Solar Holdings XI B.V in July 2021, (viii) RSTCPL, which we acquired from Patel Engineering Limited, Simplex Infrastructures Limited and BS Limited in November 2022;(ix) KTL, which we acquired from SPTL in March, 2023; and (x) GGEPL, UMD, USUPL, GSPPL, PLG, Solar Edge, TKSPL, TSEG, TNSPEPL, TRSPL, TSEC, TSEN, TSET, TSEP and TSESPL which were acquired through the acquisition of VRET on August 25, 2023 (together the "**Portfolio Assets**"). IndiGrid indirectly holds 100% of equity shares of the Virescent IM (which is a deemed public company, being a subsidiary of IndiGrid Limited) and the Virescent PM (which is a deemed public company, being a subsidiary of IndiGrid Limited).

Esoteric II Pte. Ltd. is the sponsor of IndiGrid. Esoteric was incorporated under the laws of Singapore as a private company limited by shares. Esoteric, by way of its letter dated September 8, 2020, to the Investment Manager, proposed to seek induction as a 'sponsor' of IndiGrid, in accordance with Regulation 22(7) of the InvIT Regulations. Subsequently, the unitholders of IndiGrid approved the induction of Esoteric as a 'sponsor' of IndiGrid pursuant to the annual general meeting of IndiGrid held on September 28, 2020.

Esoteric II Pte. Ltd. is a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR. Founded in 1976, KKR is a leading global investment firm, with approximately US$528 billion of assets under management as of September 30, 2023, that offers alternative asset management as well as capital markets and insurance solutions. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people and supporting growth in its portfolio companies and communities. Esoteric II Pte. Ltd. currently owns a stake of around 22.7% in IndiGrid. Separately, Electron IM Pte. Ltd., an affiliate of KKR, currently owns 100% of the issued, paid-up and subscribed capital of the Investment Manager.

The Sponsor's registered office is situated at 12 Marina View #11-01, Asia Square Tower 2, Singapore 018961.

IndiGrid acquired 100% of the issued and outstanding units of VRET, from Terra Asia Holdings II Pte. Ltd. (the erstwhile sponsor of VRET and a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR) and other unitholders of VRET. For further details, please see the sections entitled "*Description of Portfolio Assets – Acquisition of the VRET Assets*" on page 33.

While infrastructure investment trusts are required to distribute at least 90% of their net distributable cash flows to unitholders once at least every six months in every financial year, according to the InvIT Regulations, we have adopted a quarterly distribution policy. For further details on our distribution policy, please see the section entitled "*Distribution*" on page 275. We believe our assets, financial position and business model will enable us to offer stable distributions to our Unitholders.

Following the utilization of the Issue Proceeds, our aggregate consolidated borrowings and deferred payments (net of cash and cash equivalents) will not exceed 70% of the total value of our assets. Our consolidated total income was ₹ 24,142.88 million in fiscal 2023 EBITDA on a consolidated basis was ₹ 21,113.19 million in fiscal 2023. Our consolidated total income was ₹ 13,747.24 million in the six-month period ended September 30, 2023. EBITDA on a consolidated basis was ₹ 11,251.95 million in the six-month period ended September 30, 2023.

On the basis of our strengths and through the implementation of our strategies, we believe that we are well-positioned to capitalize on the growth potential of India's power transmission and renewable energy industry.

Competitive Strengths

Stable cash flows from assets with minimal counterparty risks

- Some of our revenues are derived out of contracted tariffs under long-term contracts (up to 35 years or 25 years (for ENICL and JKTPL), unless extended) from the majority of our Transmission Assets with relatively low operating and maintenance costs.

- Each of the Solar Assets have entered into long term PPAs with the weighted average residual term of the PPAs, calculated using DC capacity, of approximately 18 years.

- Inter-state power transmission projects receive tariffs on the basis of availability, irrespective of the quantum of actual power transmitted through the line.

- Power transmission projects and solar projects are characterized by low levels of operating risk. The Portfolio Assets are operational power transmission and solar projects. All our Portfolio Assets have an operating history of at least one year. The Portfolio Assets have minimal construction risks and are not subject to any major capital expenditure.

- We have maintained an annual availability for the majority of our Transmission Assets in excess of 98% since commissioning for which we have earned maximum incentive revenues under the respective TSAs. Maintaining availability of such Transmission Assets in excess of 98% gives us the right to claim incentives under the TSA, ensuring an adequate upside to maximize availability. The amount of incentive revenue earned increases as our availability levels increase, with a maximum incentive revenue earned for maintaining 99.75% (or ranging between 98% to 100% in case of JKTPL and between 98.5% and 99.75% in case of PrKTCL) availability.

- Further, the Solar Assets have maintained an average DC plant load factor ("**PLF**") of 17.09%, 17.01%, 16.74% and 17.11% during the six month period ended September 30, 2023 and the Fiscals 2023, 2022 and 2021, thus allowing us to maintain stable cash flows from our Solar Assets.

Tariffs under the ISTS project TSAs, which contribute to the majority of our Transmission Assets, are billed and collected pursuant to the PoC mechanism. Under the PoC mechanism, payments are made to a central payment pool and the proceeds are distributed proportionately to all transmission services providers, such as the Transmission Assets. Any shortfall in collection of transmission charges by the CTU is shared on a *pro rata* basis by all transmission service providers. Payment securities in the form of a revolving letter of credit, a late payment surcharge of 1.25% per month for delay in payment beyond 60 days from the date of billing, pursuant to provisions of the project TSAs (and a late payment surcharge of 1.50% per month pursuant to the Sharing of Charges and Losses Regulations) and lack of alternate power infrastructure, deter beneficiaries from defaulting. This mechanism diversifies counterparty risk, ensures a stable cash flow independent of asset utilization and provides payment security. In accordance with the terms of the PPAs, the Solar Projects have a pre-determined tariff structure.

Strong financial position

- We have been assigned a credit rating of 'CRISIL AAA/Stable' by CRISIL, 'IND AAA'/Stable by India Ratings and '[ICRA] AAA (Stable)' by ICRA. Following the utilization of the Issue Proceeds, our aggregate consolidated borrowings and deferred payments (net of cash and cash equivalents) will not exceed 70% of the total value of our assets. We also have a track record of continuous distributions for the past three financial years.

Ownership and location of assets

- All our Transmission Assets are located in strategically important areas for electricity transmission connectivity, delivering power from generating centers to load centers to meet inter-regional power deficits. Once a transmission project has been commissioned, it requires relatively low levels of expenditure to operate and maintain, which means that the assets will have the benefit of owning a critical asset without incurring significant operational costs.

- The transmission lines of the Transmission Assets are predominantly located in areas where developing alternate lines may be challenging due to the terrain, challenges in obtaining rights of way, limited corridors and high construction costs. This puts us in an advantageous position to capitalize the opportunities to increase our power transmission capacity through the same corridor by upgrading our existing systems.

- Further, our Solar Projects are strategically located in high irradiation areas. The projects are located across seven states of India, being, Tamil Nadu, Uttar Pradesh, Maharashtra, Gujarat, Madhya Pradesh, Punjab and Andhra Pradesh.

Strong lineage and support from the Sponsor

- Esoteric II Pte. Ltd. is the sponsor of IndiGrid. Esoteric was incorporated under the laws of Singapore as a private company limited by shares. Esoteric, by way of its letter dated September 8, 2020, to the Investment Manager, proposed to seek induction as a 'sponsor' of IndiGrid, in accordance with Regulation 22(7) of the InvIT Regulations. Subsequently, the unitholders of IndiGrid approved the induction of Esoteric as a 'sponsor' of IndiGrid pursuant to the annual general meeting of IndiGrid held on September 28, 2020.

- Esoteric II Pte. Ltd. is a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR. Founded in 1976, KKR is a leading global investment firm, with approximately US$528 billion of assets under management as of September 30, 2023, that offers alternative asset management as well as capital markets and insurance solutions. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people and supporting growth in its portfolio companies and communities. Esoteric II Pte. Ltd. currently owns a stake of around 22.7% in IndiGrid. Separately, Electron IM Pte. Ltd., an affiliate of KKR, currently owns 100% of the issued, paid-up and subscribed capital of the Investment Manager.

- In 2008, KKR established a dedicated infrastructure team and strategy focused on global investment opportunities. KKR has been one of the more active infrastructure investors globally over the past several years, having made approximately 75 infrastructure investments globally and more than US$50 billion in assets under management within infrastructure.

- Today, KKR's infrastructure platform has expanded to include approximately 90 dedicated investment professionals across 10 offices covering a broad spectrum of investment opportunities in various infrastructure subsectors, including: midstream energy, renewables, power & utilities, water and wastewater, waste, telecommunications and transportation, among others. KKR continually monitors infrastructure sectors and infrastructure-related investments for emerging trends and may identify and prioritize investments in other sectors as conditions change or cycles evolve.

- We have leveraged and continue to leverage the experience and expertise of the Sponsor, to gain a competitive advantage within the Indian power industry.

Strong corporate governance and skilled and experienced Investment Manager

We benefit from the skills and experience of the board of directors and the management teams of our investment manager, IndiGrid Investment Managers Limited, in investing and financially managing our power transmission and renewable energy assets for the beneficial interest of our Unitholders. Some of the members of our Investment Manager's board of directors and management teams have extensive experience in the power transmission sector and have established track records in negotiating, structuring and financing investments in power transmission assets and financially managing these assets as well as governing similar trusts internationally. For further details, please see the section entitled "*Parties to IndiGrid*" on page 131.

The InvIT Regulations set out the statutory requirements for, among other things, the board composition of an investment manager, which promotes strong corporate governance in IndiGrid. The key features of our corporate governance structure are as follows:

- The chairman of the board of our Investment Manager is an independent director with experience in the infrastructure sector.

- The Investment Manager has constituted committees of the board, including amongst others, the stakeholders' relationship committee, the audit committee, the investment committee and the risk management committee. All these committees are chaired by independent directors.

- All related party transactions with our Sponsor are required to be approved by the investment committee (50% of which consists of independent directors) and the audit committee of the Investment Manager, which is majorly comprised of independent directors.

- Electron IM Pte. Ltd., an affiliate of KKR, owns 100% of the issued, paid-up and subscribed capital of the Investment Manager.

Business Strategy

Focused and diversified Portfolio Assets

We focus on owning power transmission, renewable energy and battery energy storage system assets with long-term contracts, low operating risks and stable cash flows consistent with the characteristics of our Portfolio Assets as well as other assets which we intend to acquire in the future (such as KBPL, which we have incorporated recently). We believe that by focusing on this asset class and leveraging our Investment Manager's industry knowledge and experience, we will maximize our strategic opportunities and overall financial performance.

We are focused on the Indian market, where we believe that private participation in the power transmission sector will continue to grow significantly.

We believe that IndiGrid is suitably placed to diversify into other similar infrastructure asset class and further increase the returns for its Unitholders without diluting the risk profile. We believe that renewable energy sector in India has matured and our proposed diversification in solar energy projects would result in improved returns to Unitholders. Recently, a letter of intent/acceptance for design, supply, testing, installation, commissioning, operation and maintenance of 20 MW/40 MWh battery energy storage system at Kilokari Grid station, was given to IndiGrid 2 Limited by BSES Rajdhani Power Limited on October 23, 2023. We have recently incorporated KBPL on November 6, 2023 under the Companies Act, 2013, for such battery energy storage system projects. We believe there is an attractive opportunity to aggregate good quality power transmission and solar projects, (i) having TSAs and an annuity profile in their respective long terms PPAs, respectively, which is also consistent with our investment philosophy of long term cash yielding stable projects; (ii) with operational track record for a well-capitalized platform like ours; (iii) with good quality equipment; and (iv) financially strong and creditworthy counterparties.

Pursue additional transmission revenue

We aim to achieve high availability to earn incentive revenue on a sustainable basis through a Reliability Centered Maintenance approach by deploying prudent asset management practices, conducting routine and predictive maintenance and using advanced technology, such as drones to monitor and maintain lines, thermo-vision scanning, puncture insulator detectors and corona measurement devices for preventive maintenance. We also intend to continue following prudent maintenance practices, which improve business performance, reduce our costs and increase revenues generated by the Transmission Assets by maintaining high transmission availability. Maintenance of the targeted availability rates entitle our projects to receive incentive revenues under the applicable TSA and tariff regulations. We have signed a multi-year collaboration agreement to build an artificial intelligence (AI)-enabled asset management platform to increase the efficiency of our assets. We intend to continue applying advanced technology to better manage and operate our Portfolio Assets.

We also intend to capitalize on such capacity enhancement opportunities, once the framework for compensating existing transmission lines is crystalized by the government.

Institute and maintain optimal capital structure

We intend to maintain a balanced capital structure and consolidated leverage to provide for a stable and predictable cash flow. Following the utilization of the Issue Proceeds, our consolidated borrowings and deferred payments net of cash and cash equivalents will be below 70% of the total value of our assets, as prescribed by the InvIT Regulations. If such borrowings and payments exceed 49%, we are required to obtain a credit rating of "AAA" or equivalent for the consolidated borrowing and proposed borrowing under the InvIT Regulations.

We intend to consider both private and public markets for debt capital to provide the most balanced and optimal capital structure to acquire additional power transmission and renewable energy projects. We also intend to maintain appropriate risk policies to help mitigate foreign exchange and market risks.

Value accretive growth through acquisitions

Our future growth is intended to be derived mainly from our Investment Manager's value accretive acquisition strategy, which will be focused primarily on acquiring power transmission projects and renewable energy projects, which provide long-term, regular and predictable cash flows, demonstrate potential to maintain or enhance returns to Unitholders and the potential for long-term capital growth in accordance with our investment objectives.

We may also acquire other power transmission projects that may be at an early stage where they have not yet generated regular and stabilized cash flows and through the TBCB mechanism. We entered into a Framework Agreement dated December 21, 2022 with GR Infra for the purposes of acquisition of the Framework Asset.

The Framework Agreement

The Framework Agreement records the detailed processes, terms and conditions for the sale of the Framework Asset by GR Infra to IndiGrid (or its Affiliates (as defined in the Framework Agreement). Pursuant to the Framework Agreement, IndiGrid has agreed to purchase, in a single or multiple tranches, 100% of the issued and paid-up share capital of, and legal, beneficial and economic interest in, the Framework Asset, either directly or through its Affiliates (as defined in the Framework Agreement) by executing share purchase agreements and other definitive documents. The acquisition is subject to, amongst other things, (i) achievement of COD of the Framework Project; (ii) induction of all elements of the Framework Project under the PoC Mechanism; (iii) execution of definitive documents for the purposes of the acquisition of the Framework Asset; (iv) receipt of all necessary corporate approvals.

Further, the Parties have agreed that from the date of the Framework Agreement until the acquisition date, GR Infra may not, and shall ensure the Framework Agreement will not, without IndiGrid's prior written consent, conduct certain activities, such as: (a). sale, transfer or dispose of the assets of the Framework Asset, other than as required under ordinary course of business; (b) change the indebtedness or refinancing terms of the Framework Asset other than as agreed upon in the Framework Agreement; (c) issuance of any equity or convertible securities of the Framework Asset; (d). transfer the shares of the Framework Asset to third parties; or (e) discontinue the insurance of the Framework Project. Further, pursuant to the Framework Agreement, the Parties have provided certain representations and warranties to each other, including, amongst others: (a). each of the Parties are duly incorporated; (b). due authorization to execute, deliver and perform the Framework Agreement; and (c). enforceability and validity of the Framework Agreement.

We expect that the experience of our Investment Manager and our financial position will competitively position us to acquire power transmission assets. Further, IndiGrid intends to acquire renewable energy projects with robust power purchase agreements, operational track record and financially strong counterparties or off-takers. In addition to long contract life and low risk cash flows, solar projects complement transmission portfolio with synergies on operations and regulatory establishments. With the operational and financial synergies, such diversification is expected to result in additional accretion for Unitholders while maintaining cash flows to Unitholders.

We consider that the fragmented nature of the Indian renewable energy industry and the growth of the renewable energy market will continue to offer consolidation opportunities. We intend to continue our expansion through an active evaluation of inorganic opportunities and may also consider organic opportunities in accordance with InvIT Regulations. We will evaluate acquisition opportunities based on our targeted returns, operational scale and diversification criteria and on whether we consider these opportunities to be available at reasonable prices. We believe that our experienced operational and management teams will enable us to identify, structure, execute and integrate acquisitions effectively based on our demonstrated ability to acquire high quality renewable energy projects.

*Memorandum of understanding ("**MoU**") for bidding and acquisition of transmission assets*

An MoU, dated October 8, 2021, was signed by the Trust and GR Infraprojects Limited ("**GRIL**") to facilitate the bidding, construction and commissioning of certain transmission projects (located in Rajasthan and Madhya Pradesh) and sale by GRIL to the Trust within 6 months from the commercial operations date of such projects, as per the terms of the MoU.

*Letter of offer ("**LOI**") for augmentation of transformation capacity*

An LOI, dated November 15, 2022, was shared by CTUIL, indicating that NCT has approved implementation of the ISTS transmission scheme, which is to be implemented through regulated tariff mechanism route by certain agencies. Consortium of IndiGrid 1 Limited and IndiGrid 2 Limited were identified as implementation agencies for augmentation of transformation capacity at Kallam by 2x500 MVA, 400/220 kV ICTs, along with 220 kV bays for RE interconnection.

Distribution Policy

We intend to distribute at least 90% of our net distributable cash flows available to Unitholders once in every quarter. For further details, please see the section entitled "*Distribution*" on page 275.

We aim to pursue additional transmission and non-transmission revenues for the Portfolio Assets as well as acquire additional assets, in order to increase the cash available for distribution and, as a result, increase our distribution per Unit.

Our ability to grow the revenues from our asset portfolio and thereby increase the cash available for distribution and distributions per Unit, is subject to a number of factors and other risks described under the section entitled "*Risk Factors*" on page 87.

Pursue non-transmission or renewable energy revenues

We believe that transmission assets provide potential for non-transmission revenues, including as follows:

- ***Optical ground wire leasing***: Given the rapid growth in internet usage in India, there is a need to install optical fiber lines to improve speed of communication, and we have incurred necessary capital expenditures to use our transmission lines as high-speed optical power ground wires. However, for commercial viability, optical power ground wires need to have extensive connectivity and leasing of optical fiber networks also requires certain government approvals. We intend to enter into licensing arrangements with companies having wider networks and requisite approvals, in compliance with applicable law. As at the date of this Preliminary Placement Document, we have not entered into any such arrangements.

- ***Tower leasing***: Given the rapidly increasing smartphone penetration and expanding data usage in India, telecommunications companies are required to incur significant capital expenditures to expand their tower network. Transmission towers provide ready-made installation sites for base transceiver station equipment and can be leased by telecommunication companies as a cost-efficient alternative to constructing new towers. We intend to enter into licensing arrangements with companies, in compliance with applicable law. As at the date of this Preliminary Placement Document, we have not entered into any such arrangements.

  Further, we propose to utilize the spare fibre available with certain of our Portfolio Assets from the installed OPGW for leasing to certain telecom service providers and propose to enter into business development agreements with Sterlite Interlinks Limited in relation to the same. We intend to pursue similar arrangements for the other Portfolio Assets and for each new power transmission project that we acquire, which have optical power ground wires.

- ***Battery energy storage systems:*** A letter of intent/acceptance for design, supply, testing, installation, commissioning, operation and maintenance of 20 MW/40 MWh battery energy storage system at Kilokari Grid station, was issued to IndiGrid 2 Limited by BSES Rajdhani Power Limited on October 23, 2023. We have recently incorporated KBPL on November 6, 2023 under the Companies Act, 2013, for such battery energy storage system projects. The project is currently at pre-execution stage.

RISK FACTORS

An investment in the Units involves a high degree of risk. Before investing in the Units, you should pay particular attention to the fact that IndiGrid, the Trustee, our Portfolio Assets, the Other Portfolio Entities, our Sponsor, the Project Manager, the Investment Manager and each of their activities are governed by the legal, regulatory and business environment in India and other relevant jurisdictions, which differs from that which prevails in other countries. You should carefully consider the risks described below and other information as disclosed in this Preliminary Placement Document before making an investment in the Units. The risks described in this section are those that IndiGrid and the Investment Manager consider to be the most significant to our business, prospects, financial condition, results of operations and cash flows and are not the only risks and uncertainties that we face. Additional risks and uncertainties not presently known to IndiGrid or the Investment Manager or that they currently believe to be immaterial may also have an adverse effect on our business, prospects, financial condition, results of operations and cash flows. If any or a combination of the following events occur, or if other risks that are not currently known or are now deemed immaterial give rise to similar events, our business, prospects, financial condition, results of operations and cash flows could materially suffer, the value of the Units could decline and you may lose all or part of your investment. Unless specified or quantified in the relevant risk factors below, IndiGrid and the Investment Manager are not in a position to quantify the financial or other implication of any of the risks mentioned herein.

This Preliminary Placement Document contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Preliminary Placement Document.

To obtain a complete understanding, prospective investors should read this section together with the sections entitled "Our Business" and "Management's Discussion and Analysis by the Directors of the Investment Manager of Factors affecting the Financial Condition, Results of Operations and Cash Flows" on pages 211 and 278, as well as the other financial and statistical information contained in this Preliminary Placement Document.

In making an investment decision, you must rely upon your own examination and the terms of the Issue, including the merits and the risks involved. You should consult your tax, financial and legal advisors about the particular consequences of investing in the Issue.

In this section, unless the context otherwise requires, a reference to "we", "us" and "our" refers to IndiGrid or to the Portfolio Assets, the Other Portfolio Entities, and may be interchangeably used.

RISKS RELATED TO OUR BUSINESS

1. We may be unable to operate and maintain our power transmission projects to achieve the prescribed availability.

We operate most of our power transmission projects under an availability-based tariff regime. The Tariff Regulations provide specific guidance on the calculation of availability and take into account the elements in the transmission system (including transmission lines and substations) as well as the reason for any outages, with force majeure outages being excluded from such calculation. If our availability falls below the required minimum threshold (ranging between 95% to 98%) for a particular line, we are subject to a penalty which reduces the annual transmission charge we receive for the relevant period.

We may be unable to operate and maintain our power transmission projects to achieve prescribed availability due to a number of factors, including, but not limited to:

- failure to meet licensing requirements or to obtain, maintain or renew approvals and licenses;
- operator error, improper installation or mishandling of equipment;
- breakdown or failure of power transmission systems;
- flaws in equipment design or construction of power lines or substations;
- work stoppages or labor disturbances or disputes;
- performance of equipment below expected levels of output or efficiency;
- non- availability of the required spare parts and required labor force;
- environmental issues affecting the operations of transmission systems;
- planned or unplanned power outages;

- theft of equipment and lines;
- claims on completed projects and litigations, proceedings, judgments or awards arising therefrom; and
- force majeure and catastrophic events, including fires, explosions, landslides, storms, floods, social unrest, earthquakes and terrorist acts, to the extent such events are not excluded from the calculation of availability under the TSAs and the Tariff Regulations.

Accidents or malfunctions involving transmission lines or substations including failure of transmission towers, power conductors or insulators, may disrupt transmission of electricity and result in availability being below expected levels. For example, one of our Portfolio Assets, NER, experienced tripping due to incessant rainfall on June 17, 2022, which has now been rectified.

In addition, power transmission projects rely on equipment that is built by third parties, and which is subject to malfunction. Although, in certain cases, manufacturers provide warranties and performance guarantees, and may be required to compensate us for certain equipment failures, engineering and design defects, such arrangements are subject to time limits, fixed liability caps and may not fully compensate us for the damage incurred or for penalty payments which may be imposed on us due to any reduced availability below required levels. Warranties under certain supplier contracts for certain of our Portfolio Assets have expired, as a result of which we may not be compensated for equipment failures, engineering and design defects from such suppliers.

The power transmission projects operated by us are generally in geographically remote areas with difficult terrain, which poses particular challenges for their operation and maintenance, including security and accessibility.

If any of these risks or any similar risks materialize, our ability to operate and maintain power transmission projects to achieve prescribed availability thresholds could be adversely affected. We may also face reputational risks which could affect our ability to bid for future power transmission projects and we may face potential claims for loss of business or for damages if we are unable to transmit power as agreed under our TSAs. A Transmission Asset may have its license cancelled by CERC or its TSA terminated by either a LTTC or the CTU for failure to operate and maintain the power transmission projects in accordance with prescribed requirements. Any of these circumstances could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

2. ***If environmental conditions at our Solar Assets are unfavourable, our electricity production, and therefore our revenue from operations, may be substantially below expectations.***

The revenues generated by our Solar Assets are proportional to the amount of electricity generated, which in turn is dependent upon prevailing environmental conditions. Operating results for solar energy projects vary significantly depending on natural variations from season to season and from year to year and may also change permanently because of climate change or other factors, including conditions resulting from man-made causes, which are beyond our control. In some periods, the solar conditions may fall within our long-term estimates but not within the averages expected for such period. In addition, the amount of electricity our Solar Assets produce is dependent in part on the amount of sunlight or irradiation.

Unfavourable weather and atmospheric conditions could impair the effectiveness of our Solar Assets, or reduce their output to levels below their rated capacity. Furthermore, components of our systems, such as solar panels and inverters, could be damaged by severe weather conditions, such as hailstorms, tornadoes or lightning strikes or certain levels of pollution, dust and humidity. The operational performance of a particular solar energy project also depends on the contour of the land on which the project is situated. In case of a highly variable contour, the output of the solar farm situated on such a surface may be sub-optimal. Our Solar Assets may also be affected by the monsoon season.

A sustained decline in environmental and other conditions at our solar energy projects could lead to a material adverse change in the volume of electricity generated. As a consequence, our business, cash flows, financial condition, results of operations and prospects may be materially and adversely affected.

3. ***We may lose tariff revenues or fail to receive payments and incur significant repair and replacement costs in the event our power transmission projects or solar projects are rendered inoperable due to force majeure events.***

In the event that any of our power transmission projects or solar projects are rendered inoperable due to force majeure events, there can be no assurance that we will be able to successfully apply to obtain a deemed availability certificate to receive tariffs under the force majeure provisions under the applicable TSA or receive payments under the relevant PPAs, or that our insurance will reimburse us for repair and replacement costs, either partially or fully for the period of such force majeure event, which could materially affect our business, prospects, financial condition, results of operations and cash flows.

One of the Portfolio Assets, BDTCL, had its 765 KV S/C Bhopal – Indore transmission line rendered inoperable for approximately 51 days in Fiscal 2015 when gale force winds damaged a tower. BDTCL received a deemed availability certificate for the same period. Additionally, there was a delay in the construction of the OGPTL transmission lines due to heavy rainfall and flood in Jharsuguda and Sundargarh districts of Odisha, among other factors. The OGPTL project received energization approval on August 23, 2017. However, due to non-availability of bays at the PGCIL substation at Sundargarh (Jharsuguda), the said line was deemed to be commissioned with effect from August 30, 2017. ENICL, another Portfolio Asset, has had its 400 KV D/C Purulia – Bihar Sharif transmission line rendered inoperable twice. It was rendered inoperable in August 2016 until July 2017 and was rendered inoperable again in August 2018. In both instances, flooding and heavy rainfall damaged the transmission towers. Further, in 2016, an agitation in Haryana by the Jat community, wherein a mob attacked the sub-stations of JKTPL resulted in complete breakdown of the transmission system of JKTPL. Further, another portfolio asset, JTCL, had its 400 kV Jabalpur-Bina transmission line rendered inoperable because of tower collapse caused by heavy wind and squall like conditions for approximately 50 days in Fiscal 2020. We cannot assure you that such instances will not occur in the future and that any future force majeure events will not have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

4. ***Most of our revenues are derived from tariff payments received from LTTCs and a delay in payments of point of connection ("PoC") charges to the CTU by users and customers may adversely affect our cash flows and results of operations.***

In accordance with the Sharing of Charges and Losses Regulations and the CERC's PoC payment system, transmission licensees, such as our Transmission Assets, are entitled to recover their approved tariffs from ISTS charges collected by the CTU. The CTU collects transmission charges from customers, including our LTTCs on a regular basis and pays such transmission charges to the transmission licensees, including the Transmission Assets. The payment mechanism is structured in accordance with the Tariff Regulations to incentivize the end consumers to make timely payments through rebates, and a surcharge that is levied on untimely payments by LTTCs.

The LTTCs under the PoC mechanism include various state utilities, other distribution licensees and TSUs. These LTTCs have experienced periods of financial weakness in the past. A failure or delay on the part of any LTTCs to make timely payments or on the part of distribution licensees or TSUs to make the requisite payments to the CTU could affect the capability of the CTU to make the corresponding payments to transmission licensees, including our Transmission Assets. As a result, factors beyond our control that affect the business, prospects, financial condition, results of operations or cash flows of the LTTCs could result in the delay or failure of our Transmission Assets to receive tariff payments.

PGCIL serves as a CTU and is responsible for the planning, development and operation of inter-state transmission of electricity and the national grid. PGCIL also undertakes high capacity transmission corridor and grid strengthening projects. Its dual roles as a CTU and power transmission project developer and operator may give rise to conflicts of interest that could result in delays in tariff payments to us. As a result of these and similar factors that may be beyond our control, our business, prospects, financial condition, results of operations and cash flows may be adversely affected.

5. ***As the terms and conditions, including the tariff structure under our TSAs are generally fixed, we may not be able to offset increases in costs, including operation and maintenance costs, solely from tariffs payable to us under the TSAs.***

The tariff structure under our TSAs is largely fixed for the entire term of the TSAs. Operation and maintenance costs of our power transmission projects may increase due to factors beyond our control, including the following:

- Increase in the cost of labor, materials and insurance;
- Restoration costs in case of events such as, floods, natural disasters and accidents;
- Increase in raw material costs;
- Adverse weather conditions;
- Unforeseen legal, tax and accounting liabilities; and
- Other unforeseen operational and maintenance costs.

We may not be able to offset increased operation and maintenance costs as the tariff is generally fixed under our TSAs, and given the escalable component forms only a small portion of the overall tariff payable to us, it may be insufficient to offset such cost increases. Additionally as the escalable portion of our tariff is linked to inflation, there can be no assurance that adjustments of the escalable tariff will be sufficient to cover increased costs resulting from inflation. Significant increases in operation and maintenance costs may reduce our profits, could expose us to penalties under the TSAs.

Any increased volatility or rate of inflation of global commodity prices, in particular oil and steel prices, could adversely affect our customers, contractual counterparties and end users. Although the RBI periodically imposes certain policy measures designed to curb inflation, these policies may not be successful. Any slowdown in India's growth, inflation volatility or fluctuation or sustained periods of hyperinflation adversely impact our business, prospects, financial condition, results of operations and cash flows.

6. We may be unable to operate and maintain the VRET Assets in a satisfactory manner or at all.

The investment objectives and strategy of IndiGrid includes, amongst others, investment in renewable energy generated through hydel, solar, wind, biomass, geothermal, tidal, wave and other renewable natural resources. IndiGrid has limited experience of acquiring or investing in the renewable energy sector, including in solar projects. IndiGrid acquired the VRET Assets on August 25, 2023 pursuant to the VRET Acquisition. There can be no assurance that we will be able to operate the VRET Assets in a satisfactory manner or at all and supply the contracted capacities in accordance with the relevant PPAs. Further, there can be no assurance that any of these VRET Assets will perform as expected or that the returns from such VRET Assets will support the financing utilized to acquire or maintain them. VRET has historically acquired the certain VRET Assets from third parties and relies on the indemnities provided by such erstwhile sellers to cover for any losses, including in relation to approvals, land title and litigation involving such VRET Assets. If any of these risks or any similar risks materialize, it may result in a breach of the relevant PPAs or other agreements or obligations in relation to such VRET Assets and we may face potential claims for loss of business or for damages if we are unable to generate renewable power as agreed. We may also face reputational risks which could affect our ability to bid for future projects. Any of these circumstances could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

Also, we have obtained certain exemptions from SEBI in relation to the VRET Acquisition, valid for a period of six months from July 14, 2023. The exemptions are subject to certain conditions, including lock-up of the unitholding of the Sponsor until September 30, 2024 and an undertaking by the Trust to merge the Virescent IM and the Virescent PM into IGL. While we have completed the acquisition of 100% of the units of VRET and VRET has been voluntary delisted and extinguished, there may be delays or failure in compliance with other conditions in this regard.

Additionally, we may face competition from established players and competitors who have a strong operating history in the renewable energy sector.

7. The Solar Assets have entered into Power Purchase Agreements which contain certain onerous provisions and any failure to comply with such agreements could result in adverse consequences including penalties.

The Solar Assets have entered into Power Purchase Agreements with off-takers, including SECI and TANGEDCO, with which the Solar Assets have a limited ability to negotiate. The standard form of the Power Purchase Agreements are provided by the off-takers as a part of the request for selection or proposal while bidding for the project.

As a result, the Power Purchase Agreements contain terms that may be onerous to the Solar Assets in relation to, among other things, (i) substitution clauses that allow the lenders in consultation with the off-takers to exercise their rights, if any, under financing agreements, to seek substitutions of the relevant asset by a selectee for the residual period in the event of suspension or termination of the Power Purchase Agreement, due to a breach or default by such asset and (ii) restrictions on increasing the contracted capacity without obtaining prior approvals from CEIG. Failure to comply with these requirements could result in adverse consequences, including the Solar Assets being liable for compensating the relevant off-takers for such breach or termination of the Power Purchase Agreements. Under certain of our Power Purchase Agreements, the Solar Assets are required to provide indemnity to certain off-takers.

Further, the Power Purchase Agreements have pre-defined tariff for the entire term of the relevant Power Purchase Agreement for contracted capacity and the majority of our off-takers, at any time during a contract year, are not obliged to purchase any additional energy from the relevant Solar Assets beyond the specified capacity in the relevant Power Purchase Agreement and may purchase power beyond acceptable deviations at lower tariffs. If for any contract year, it is found that the relevant Solar Asset has not been able to generate minimum energy of specified capacity with the time periods specified in the relevant Power Purchase Agreement, on account of reasons solely attributable to the Solar Assets, then such non-compliance shall make the Solar Assets liable to pay the compensation provided in the relevant power purchase agreement as payable to buying utilities (as defined in the relevant Power Purchase Agreement), subject to certain conditions specified, and may lead to termination of the relevant Power Purchase Agreement. Further, any excess generation over and above the specified quantity may be purchased by our off-takers at a lower rate at their option and often subject to conditions such as their ability to procure purchasers for such excess generation.

The Power Purchase Agreements executed by us have a pre-determined tariff structure, with escalations specifically set out in the Power Purchase Agreements only in some instances and we had a limited ability to negotiate the terms of such Power Purchase Agreements. If there is an industry-wide increase in tariffs, we may not be able to renegotiate the terms of the Power Purchase Agreements to take advantage of such increased tariffs. As a result, in the event of increase in operating costs or equipment costs, or increased costs as a result of changes in applicable laws or as a result of inflation, we may not be able to pass these cost increases on to our counterparties.

The restrictions and uncertainties impose constraints on the flexibility of IndiGrid to conduct its business and its financial conditions and results of operations may be adversely affected. In the event any off-taker or a lender invokes any restrictive provision in the relevant Power Purchase Agreement or interprets any term or condition in an adverse manner or there are any changes to our current tariff rates, such invocation or interpretation or amendment may adversely affect our business, financial condition, cash flows and results of operations. For further details in relation to the Power Purchase Agreements, please see the section entitled "*Our Business – Summary of Power Purchase Agreements*" on page 261.

8. Future acquisitions and proposed business strategies may expose us to risks and have an adverse impact on our operations.

Future acquisitions may entail integration and management of these future assets to realize economies of scale and control costs, as well as other risks, including diversion of management resources otherwise available for ongoing development of our business. These acquisitions may also be in sectors where we do not necessarily have prior experience of operations, such as renewable energy projects involving wind or hydel energy generation. Such acquisitions or business strategies may cause disruptions to our operations and divert management's attention away from day-to-day operations. Newly acquired assets may require significant management attention that would otherwise be devoted to our ongoing business. Our management may have to spend a considerable amount of time to ensure a smooth handover of the future assets and align the operating philosophy of the future assets with ours. Despite pre-acquisition due diligence, we do not believe that it is possible to fully understand an asset before it is owned and operated for an extended time. Further, the expected benefit, synergies or efficiencies from such acquisitions may take longer than expected to achieve or may not be achieved at all.

Further, any acquisitions or alliances in the future may expose us to the risk of unanticipated business uncertainties or legal liabilities including defects in title and lack of appropriate approvals/ licenses in place for which the relevant parties in relation to such future assets may or may not indemnify us.

Further, we propose to utilize the spare fibre available with certain of our Portfolio Assets from the installed OPGW for leasing to certain telecom service providers and propose to enter into a business development agreement with Sterlite Interlinks Limited in relation to the same. We have also recently incorporated a special purpose vehicle, KBPL, for implementation of a battery energy storage system project awarded to IGL2 in October 2023. Such expansion of our business may cause disruptions to our operations and divert management's attention away from day-to-day operations. Further, we may not be able to execute the battery energy storage system agreement, acquire the IP-1 Licenses or other approvals as required for the purpose of such business. Further, the expected benefit, synergies or efficiencies from such business may take longer than expected to achieve or may not be achieved at all.

9. The ability of our Project Manager to ensure that our power transmission systems and solar projects are fully operational at all times may be subject to the limitations of the power grid, existing equipment or operational risks outside of their control.

Power grid outages at the state, regional or national level disrupt the transmission of electricity and could result in performance being below expected levels. For example, there could be failure in the transmission towers, power conductors or insulators. In addition, power transmission projects and our solar projects rely on sophisticated machinery that is built by third parties, which may malfunction. Injuries to people or property may also occur in the ordinary course of carrying on our business, which could subject us to significant disruptions in our business and legal and regulatory actions. For example, a fatal accident along the transmission lines set up by BDTCL at the time of construction, resulted in the death of eight laborers. In September 2020, a contractor employee died due to anaphylactic shock caused by honeybee swarm attack while working on the 400 kV D/C Purulia-Ranchi transmission line of PKTCL. The operation of our projects also involves many operational risks, some of which are outside our control, including explosions, fires, damages due to earthquakes and other natural disasters, the breakdown or failure of transmission or generation equipment or other equipment or processes, operating below expected levels, labor disputes, civil unrest, terrorism and war. For example, the construction of the OGPTL transmission lines was delayed due to, amongst other factors, unseasonal and heavy rainfall and flood in Odisha and delay in the grant of forest clearance to OGPTL in respect of the forest land acquired for the construction of the said transmission lines. Any disruption in the operations of our projects could negatively impact the reputation of IndiGrid, the Project Manager, the Investment Manager or the Sponsor among our customers, stakeholders, regulators or within our industry. The occurrence of any of the above events could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

10. We have limited flexibility in negotiating tariffs with the counter-parties to our Power Purchase Agreements.

The Power Purchase Agreements executed by the Solar Assets have a pre-determined tariff structure, with escalations specifically set out in the Power Purchase Agreements only in some instances and we have a limited ability to negotiate the terms of such Power Purchase Agreements. If there is an industry-wide increase in tariffs, we may not be able to renegotiate the terms of the Power Purchase Agreements to take advantage of such increased tariffs. For further details, please see the sections entitled "*Our Business*" on page 211. As a result, in the event of increase in operating costs or equipment costs, or increased costs as a result of changes in applicable laws or as a result of inflation or for any reason whatsoever, we may not be able to pass these cost increases on to our counterparties other than that which may be provided for in the relevant contracts. India being a developing nation, the rate of inflation is high as compared to developed nations and hence there is an increase in cost due to inflation. Therefore, the prices at which we supply power may have little or no relationship with the costs incurred in generating power, thereby, reducing the profits for the Trust as projected. Tariff structuring mechanisms also have been changing in India. We may also experience delays in the adoption of tariffs and delays in receivables for some Power Purchase Agreements. Therefore, the prices at which we supply power may not have any direct relationship with the costs incurred in generating power. For further details in relation to tariff structure, please see the section entitled "*Our Business*" on page 211.

11. We are reliant on certain off-takers and any decline in their financial condition or our relationship with them may adversely effect our results of operations.

The Solar Assets have entered into Power Purchase Agreements with off-takers, and there is a limited number of purchasers of utility scale quantities of electricity under the long-term Power Purchase Agreements, which exposes us to purchaser concentration risk. Any event impacting the economic condition of such off-takers may adversely affect our business, financial condition, results of operations, and prospects. If the financial condition of these utilities and/or power purchasers deteriorate or the solar policies to which they are currently subject to compels them to change the source of their renewable energy supplies, then the demand for electricity produced by our solar power projects could be negatively impacted which in turn could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows. If, for any reason, any of our off-takers or counterparties under such Power Purchase Agreements become unable or unwilling to fulfil their contractual obligations under the relevant Power Purchase Agreement or if they refuse to accept delivery of contracted power pursuant to the relevant Power Purchase Agreement, or otherwise terminate such agreements prior to the expiration thereof, our business, financial condition, results of operations and prospects may be adversely affected as we may not be able to find other purchasers for such contracted capacities or replace the Power Purchase Agreement on equivalent terms and conditions.

Further, any failure to maintain our relationship with these off-takers or expiry or termination of the Power Purchase Agreements and/or negotiate and execute renewed Power Purchase Agreements on terms that are commercially viable, with the off-takers, could have an impact on our financial condition and our growth prospects. Post the term of the relevant Power Purchase Agreements, there is no assurance of power off take by the counter parties to the Power Purchase Agreements, hence, this could adversely impact the cash flows and operations of IndiGrid.

Further, TSESPL, one of our Transmission Assets, facilitates step-up and provides evacuation facilities to four solar assets on a cost-to-cost basis, namely GSPPL and TSEP (which are owned and operated by us) and Focal Photovoltaic India Private Limited and Focal Renewable Energy Two India Private Limited (which are owned and operated by third parties). Any failure by TSESPL to maintain its relationship with its third party customers could have an impact on its financial condition and results of operations.

Bringing action against our customers to enforce their contractual obligations is often difficult and there can be no assurance that if we initiate any legal proceedings against any such entities, we will receive a judgment in our favour or on a timely basis. A failure by any of our customers to meet their contractual commitments, or an insolvency or liquidation of any of our customers, could have an adverse effect on our financial condition, cash flows and results of operations.

12. Our ability to deliver electricity to our various counterparties requires the availability of and access to interconnection facilities and transmission systems which we do not own or control, and we are exposed to the extent and reliability of the Indian power grid and its dispatch regime.

The ability of our Solar Assets to deliver electricity is impacted by the availability of, and access to, relevant and adequate evacuation and transmission infrastructure required to deliver power to our contractual delivery point and the arrangements and facilities for interconnecting our generation projects to the transmission systems, which are owned and operated by third parties or state electricity boards. The operational failure of existing interconnection facilities or transmission facilities or the lack of adequate capacity on such interconnection or transmission facilities or evacuation infrastructure may have an adverse effect on our ability to deliver electricity to our various counterparties which may subject us to penalties under our Power Purchase Agreements. The relevant Portfolio Assets may also have to pay certain additional charges due to deviation settlement mechanism and evolving regulations, which may increase in the future.

As a result of grid constraints, such as grid congestion and restrictions on transmission capacity of the grid, the transmission and dispatch of the full output of our solar projects may be curtailed. We may have to stop producing electricity during the period when electricity cannot be transmitted, for instance, when the transmission grid fails to work. This may affect our ability to supply the contracted amount of power to the off-taker which may result in imposition of certain penalties on us under the terms of the relevant Power Purchase Agreements. Furthermore, if construction of power projects in India, particularly in the states and regions that we operate in, outpaces transmission capacity of power grids, we may not be in a position to transmit, or have dispatched, all of our potential electricity to the power grid and therefore may be dependent on the construction and upgrading of grid infrastructure by government or public entities for increased capacity. The curtailment of our power projects' output levels will reduce our electricity output and limit operational efficiencies without compensation, which in turn could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows. Further, any damage caused due to natural calamities such as, thunder storm or torrential rains or earthquake, to the assets which are utilised for accessing interconnection facilities and transmission systems, could also impact our operations, financial condition and cash flows.

Although the GoI has accorded renewable energy "must-run" status (which means that any renewable power that is generated must always be accepted by the grid), under the Indian Electricity Grid Code promulgated by CERC, power producers and government entities are required to undertake planned generation and drawing of power in order to maintain the safety of the power grid. For more details, please see the section entitled "*Regulations and Policies*" on page 302. In some cases, this may result in a curtailment of our ability to transmit electricity into the power grid, which may have an adverse effect on our financial condition and results of operations. Additionally, in some cases, there is also deemed generation of power in accordance with the provisions of the Power Purchase Agreements.

13. We may not be able to make distributions to our Unitholders comparable to our Unitholders' estimated or anticipated distributions or the level of distributions may fall.

While we have had a stable track-record of distributions since listing, future distributions will be based on the net distributable cash flows. The InvIT Regulations provide that not less than 90% of our net distributable cash flows should be distributed to the Unitholders. Under the InvIT Regulations, distributions must be declared and made not less than once every six months in each financial year and will be made not later than fifteen days from the date of such declaration and pursuant to its distribution policy. IndiGrid declares its distributions once every quarter in accordance with the InvIT Regulations and our Distribution Policy. The amount of cash available for distribution to Unitholders principally depends upon the amount of cash that we receive as dividends or the interest and principal payments from our Portfolio Assets, which in turn depends on the amount of cash that the relevant Portfolio Assets generate from operations and may fluctuate based on, among other things:

- insufficient cash flows received from our Portfolio Assets;
- debt service requirements and other liabilities of our Portfolio Assets;
- fluctuations in the working capital needs of our Portfolio Assets;
- ability of our Portfolio Assets to borrow funds and access capital markets;
- restrictions contained in any agreements entered into by our Portfolio Assets, including financing agreements;
- respective businesses and financial positions of our Portfolio Assets;
- applicable laws and regulations, which may restrict the payment of dividends by the Portfolio Assets;
- operating losses incurred by the Portfolio Assets in any financial year;
- changes in accounting standards, taxation laws and regulations, laws and regulations in respect of foreign exchange repatriation of funds, corporation laws and regulations relating thereto;
- amount and timing of capital expenditures on our Portfolio Assets;
- amount of management fees we pay to the Investment Manager and the Project Manager; and

- nature of cash flows received from our Portfolio Assets.

Our Investment Manager will be liable to pay interest to our Unitholders if distributions are not paid within fifteen days of declaration in accordance with the InvIT Regulations.

Further, the method of calculation of the net distributable cash flows may change subsequently due to regulatory changes. Any change in applicable laws in India or elsewhere (including, for example, tax laws and foreign exchange controls) may limit our ability to pay or maintain distributions to our Unitholders. For example, under the extant provisions of the current laws and regulations, dividends that may be paid by the Portfolio Assets to IndiGrid would be exempt from the dividend distribution tax and any distribution of income, in the nature of dividends received from the special purpose vehicle, by IndiGrid to the Unitholders are exempt from the payment of tax. Further, the Finance Act, 2020 amended the IT Act and consequently, the taxability of dividends distributed by IndiGrid will depend on the taxation regime opted by the Portfolio Assets. For further details, please see section entitled "*Risk Factors - Unitholders may be subject to Indian taxes arising out of capital gains on the sale of the Units and on any dividend or interest component of any returns from the Units*." on page 123.

Furthermore, no assurance can be given that we will be able to pay or maintain the levels of distributions or that the level of distributions will increase over time, or that future acquisitions will increase our distributable cash flow to our Unitholders. Distributions that the Unitholders have received in the past may not be reflective of the distributions that may be paid in the future. Any reduction in, or delay/default of, payments of distributions could materially and adversely affect the market price of our Units. As a result of all these factors, we cannot guarantee that we will have sufficient cash generated from operations to achieve distributable or realized profits or surplus in any future period in order to make distributions every three months or at all.

For further details on our distributions, please see section entitled "*Distributions*" on page 275.

14. Any changes to current tariff policies or modifications of tariffs standards by regulatory authorities could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

Tariffs determined by regulatory order and charged to customers comprise virtually all of the revenues generated by the power transmission projects operated by us. Such tariffs are collected by the CTU, under a payment pooling mechanism and subject to periodic reviews by the CERC. The Transmission Assets have no ability or flexibility to charge more for regulated services than is provided for under the relevant tariff.

With respect to potential impacts on statutory payment pooling bodies, in accordance with the Sharing of Charges and Losses Regulations, transmission licensees such as the Transmission Assets are entitled to recover their approved tariffs from ISTS charges collected by the CTU. The CTU collects transmission charges from distribution licensees and TSUs on a regular basis and pays such charges to transmission licensees, including us. In the event of any change in the operating statutory parameters of the CTU, or a failure or delay on the part of the CTU to make the corresponding payments to the Transmission Assets, the counterparty risk may increase significantly and our business, prospects, financial condition, results of operations and cash flows may be materially and adversely affected. Further, we are subject to an incentive based penalty mechanism for all our Transmission Assets and may be subject penalties if the availability rate falls below the limits as may be prescribed under the applicable provisions in the project documents and tariff regulations. While, tariff enhancement applications in respect of the ENICL, JTCL, MTL, OGPTL, NTL and BDTCL projects have been approved by CERC previously, there can be no assurances that future tariff enhancements applications for any of the Portfolio Assets will be granted.

The revenues generated by JKTPL are not dependent on a regulatory order and are dependent on tariffs as determined in terms of the relevant TSA. JKTPL operates an intra-state transmission asset and in terms of the TSA, JKTPL may recover tariffs equivalent to a base unitary charge which is subject to annual revisions. For instance, the rate of inflation, based on monthly Wholesale Price Index stood at (4.80%) (actual) for the month of January, 2023 (over January, 2022) as compared to 13.68% during the corresponding month of the previous year, resulting in lower escalations in tariff as against projections. We cannot assure you that future revisions to the base unit charge will be aligned with the tariff expected to be recovered by JKTPL.

With respect to potential impacts on statutory dispatch bodies, in accordance with the Electricity Act, the operators of the national or state transmission grids, the NLDC, the RLDCs and the SLDCs, operate the grids as independent operators. Any negative change in the operating statutory parameters of the NLDC, the RLDCs or the SLDCs, as applicable, may negatively affect the corresponding availability of the transmission assets of the Transmission Assets and in turn materially and adversely affect the business, prospects, financial condition, and results of operations and cash flows of the Transmission Assets. Any such unfavorable changes, particularly to tariff, payment pooling and dispatch regulations, could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

15. ***Our businesses could be adversely affected if we are unable to maintain or renew our existing regulatory approvals due to changes to the regulatory environment and the laws, rules and directives of the GoI.***

The power industry in India is regulated by a wide variety of laws, rules and directives issued by government and relevant regulatory authorities. The timing and content of any new law or regulation is not within the control of the Portfolio Assets and any changes to current regulatory bodies or the existing regulatory regime could have an impact on our ability to obtain the requisite regulatory approvals in a timely manner or at all. Our inability to obtain and maintain regulatory approvals in a timely manner or at all could adversely effect on the business, prospects, financial condition, results of operations and cash flows of the Portfolio Assets. For example, the Electrical Inspectorate of the Government of Tamil Nadu (the "**EI**") has issued a yearly inspection report of HV installations at the project managed by TKSPL highlighting certain defects in its premises. While TKSPL has responded to the report highlighting the rectified defects, there has been no further communication from the authority in this regard. If the EI issues any further orders or takes any action against TKSPL, its results of operations and cash flows may be adversely affected. In addition, the construction of the 400 kV D/C Agra-Prithala line, 400/220 GIS Prithala Substation, Prithala-Kadarpur 400 kV D/C HTLS line and 400/220 kV substation at Kadarpur by GPTL was adversely affected due to amongst others, delay in obtaining the required forest approval for diversion of forest along the Agra canal on account of lack of administrative clarity and failure of HPVL in sharing the Control and Relay Protection System in a timely manner.

We also depend on part on government policies that support renewable energy and enhance the economic feasibility of developing renewable energy projects. The Government of India has historically provided incentives that support the generation and sale of renewable energy. If governmental support of renewable energy development, particularly solar energy, is discontinued or reduced, it could have an adverse effect on our ability to obtain financing, affect the viability of new renewable energy projects constructed based on current tariff and cost assumptions or impact the profitability of our existing projects.

The laws and regulations governing the power industry have become increasingly complex and govern a wide variety of issues, including, amongst others, billing and collections, allocation of transmission charges among LTTCs, rights of way, land acquisitions, calculations of availability and forest clearances. Any change in policy for such issues may result in our inability to meet such increased or changed requirements and the operation of the Portfolio Assets may be adversely affected. Further, there can be no assurance that the GoI or any state government in India will not implement new regulations and policies which will require us to obtain additional approvals and licences from the government and other regulatory bodies or impose onerous requirements and conditions on their operations, which could result in increased compliance costs as well as divert significant management time and other resources. Future changes in laws and regulations and the failure or apparent failure to address any regulatory changes or enforcement initiatives could have an adverse impact on the business and future financial performance of our Portfolio Assets, impair their ability to declare dividends to IndiGrid, harm our reputation, subject us to penalties, fines, disciplinary actions or suspensions or increase the risk of litigation and have an adverse effect on the price of the Units.

16. ***Any project that we acquire, which is still under construction and development, or our under-construction assets may be subject to cost overruns or delays.***

We may acquire power transmission projects, renewable energy projects and other projects, which are still under construction and development, in accordance with the InvIT Regulations and subject to Unitholders' approval in certain cases. The development of such projects is subject to substantial risks, including various planning, engineering and construction risks. Power transmission projects typically require substantial capital outlays and a long gestation period of between three to four years before the commencement of commercial operation. The owner of a power transmission project generally begins generating a return on investment after the commencement of commercial operation, which may be delayed due to various reasons. Additionally, the development and construction of renewable energy projects involve numerous risks and uncertainties and require extensive research, planning and due diligence. Before we can determine whether a renewable energy project is economically, technologically or otherwise feasible, we may be required to incur significant capital expenditure for land and interconnection rights, regulatory approvals, preliminary engineering, equipment procurement, legal and other work.

Under the InvIT Regulations, we can only acquire a project which has received all requisites approvals and certifications for commencing operations. Several key steps must be taken before power transmission and renewable energy projects start to operate, recover costs and generate revenue, including:

- conducting surveys and investigations for the proposed route;
- entering into construction contracts and long-term service agreements with contractors with sufficient expertise;
- purchasing necessary transmission equipment;

- acquiring land with satisfactory land use permissions from land owners and local authorities;
- securing necessary project approvals, licences and permits in a timely manner;
- procuring sufficient equity, debt, mezzanine and other necessary financing on competitive terms;
- entering into or securing transmission and tariff-related arrangements including, TSAs, RSAs and tariff orders and PPAs or other arrangements on acceptable terms; and
- completing transmission on identified lines or construction on schedule.

During the construction and development phases of a project we may also suffer from the unavailability of equipment or supply, work stoppages, labor or social unrest, adverse weather conditions, natural calamities, delays in construction, delays in clearances, unforeseen construction-related and/or operational delays and defects, delivery failures by contractors, increased cost of raw materials, unavailability of adequate funding, inability to secure rights of way for certain portions of the transmission line, failure to complete projects within budget and in accordance with the required specifications, additional interest costs incurred due to project delays, legal actions brought by third parties, changes in government, regulatory and tax policies, foreign exchange movements, adverse trends in the power transmission industry or general economic conditions in India. Delay in constructing infrastructure, such as bay ends at connecting substations, which are not within the scope of the project, but are critical for the operation of the project may also delay the construction of the project. Certain Portfolio Assets have also filed petitions in this regard. For details, please see the section entitled "*Litigation*" on page 316. For example, the construction of the transmission lines of the BDTCL and JTCL was delayed by more than a year due to delays in obtaining approvals and clearances from relevant authorities. The commissioning of the PKTCL was delayed due to among other things delay in obtaining forest clearances, strikes and other *force majeure* events. Additionally, the construction of the OGPTL transmission lines was delayed due to, amongst other factors, unseasonal and heavy rainfall and flood in Odisha and delay in the grant of forest clearance to OGPTL in respect of the forest land acquired for the construction of the said transmission lines. Similarly, the construction of the 400 kV D/C Agra-Prithala line, 400/220 GIS Prithala Substation, Prithala-Kadarpur 400 kV D/C HTLS line and 400/220 kV substation at Kadarpur by GPTL was adversely affected due to amongst others, delay in obtaining the required forest approval for diversion of forest along the Agra canal on account of lack of administrative clarity and failure of HPVL in sharing the Control and Relay Protection System in a timely manner. Additionally, the scheduled commercial operations date of Kallam has been delayed since June 30, 2023 and we expect to complete construction in December 2023 Any delays in procuring approvals and permits for the transmission assets that we acquire in the future could impact construction timelines, which in turn could affect our ability to operate them.

17. Some of our business is dependent on the regulatory and policy environment affecting the renewable energy sector in India.

The regulatory and policy environment in which we operate is evolving and subject to change and we will depend in part on government policies that support renewable energy and enhance the economic feasibility of developing renewable energy projects. The GoI provides incentives that support the generation and sale of renewable energy, and additional legislation is regularly being considered that could enhance the demand for renewable energy and obligations to use renewable energy sources. If any of these incentives or policies are adversely amended, eliminated or not extended beyond their current expiration dates, or if funding for these incentives is reduced, or if governmental support of renewable energy development, particularly solar energy, is discontinued or reduced, it could have an adverse effect on our ability to obtain financing or impact the profitability of our Solar Assets. The GoI has accorded renewable energy "must-run" status, which means that any renewable power that is generated must always be accepted by the grid. However, certain state electricity boards may order the curtailment of renewable energy generation despite this status and there have been instances of such orders citing grid safety and stability issues being introduced in the past. This may occur as a result of the state electricity boards purchasing cheaper power from other sources or transmission congestion owing to a mismatch between generation and transmission capacities. There can be no assurance that the GoI will continue to maintain the "must-run" status for renewable energy or that the state electricity boards will not make any orders to curtail the generation of renewable energy.

There is no assurance that the GoI will continue to provide incentives and allow favourable policies to be applicable to our Solar Assets. The GoI may reduce or eliminate these economic incentives for political, financial or other reasons. In addition, policy incentives may be available for a limited period, and there can be no assurance that the validity of such schemes will be extended.

Any change in policy that results in the curtailment of renewable energy generation may have an adverse effect on our business. If governmental authorities do not continue supporting, or reduce or eliminate their support for, the development of renewable energy projects, it may become more difficult to obtain financing, our economic return on certain projects may be reduced and our financing costs may increase. A delay or failure by governmental authorities to administer incentive programmes in a timely and efficient manner could also have an adverse effect on our Solar Assets. These may, in turn, have a material and adverse effect on our business, financial condition, results of operations and prospects.

18. Counterparties to our Power Purchase Agreements may not fulfil their obligations which could result in a material adverse impact on our business, prospects, financial condition, results of operations and cash flows.

In India, the distribution of electricity is controlled by central agencies and state utilities and therefore there is a concentrated pool of potential buyers for grid connected, utility scale electricity generated by our Projects, which may restrict our ability to find new off-takers or counterparties for the electricity generated by our Projects. If, for any reason, any of our off-takers or counterparties under such Power Purchase Agreements become unable or unwilling to fulfil their contractual obligations under the relevant Power Purchase Agreement or if they refuse to accept delivery of contracted power pursuant to the relevant Power Purchase Agreement, or otherwise terminate such agreements prior to the expiration thereof, our business, financial condition, results of operations and prospects may be adversely affected as we may not be able to find other purchasers for such contracted capacities or replace the Power Purchase Agreement on equivalent terms and conditions.

There may also be delays associated with collection of receivables from Government-owned or controlled entities due to the financial condition of these entities and there can be no assurance that our off-takers will have the resources to pay on time or at all. Furthermore, to the extent any of our off-takers are, or are controlled by, governmental entities, bringing actions against them to enforce their contractual obligations is often difficult. Further, our Solar Projects or our counterparties may be subject to legislative or other political action that may impair their contractual performance. A failure by any of our customers to meet their contractual commitments, or an insolvency or liquidation of any of our customers, could have an adverse effect on our financial condition and results of operations.

While we are entitled to charge interest for any delay in payments, the delay in recovering (or refusal to pay) the amounts (including interest) due under these offtake arrangements could adversely affect our operational cash flows. In addition, external events, such as an economic downturn, could impair the ability of some customers under our Power Purchase Agreements to pay for electricity received.

19. The Investment Manager may not be able to execute our growth strategy successfully.

Our growth strategy includes expanding our portfolio of project companies through acquisitions in order to maximize distributions for our Unitholders, improve portfolio diversification and enhance flexibility. The Investment Manager undertakes the management and control of our business and growth strategy. Except in respect of transactions equal to or greater than 25% of the InvIT Assets which require prior Unitholders' approval, an issuance of Units to fund the future acquisitions (depending on the nature of the fund-raise) or related party acquisitions, sales or investments exceeding certain thresholds, no Unitholder may have the opportunity to evaluate the Investment Manager's decisions regarding specific strategies used or the acquisitions made on our behalf, or the terms of any such acquisitions.

The primary component of our current growth strategy is to acquire additional infrastructure projects within the power transmission and renewable energy sector. There can be no assurance that the Investment Manager will be able to implement this strategy successfully due to amongst other things, non-receipt of required approvals, non-availability of funding and breach of obligations by counterparties to the relevant definitive agreements. Further, there can be no assurance that it will be able to expand our portfolio at all, or at any specified rate or to any specified size. The Investment Manager may not be able to make acquisitions or investments or divestments of power transmission projects or renewable energy projects on favorable terms or at all. Even if the Investment Manager was able to successfully make additional acquisitions or investments, there can be no assurance that such acquisitions or investments will produce incremental distributions to our Unitholders and improve our prospects or overall financial condition. We may also be exposed to liability with the acquisition of additional power transmission projects and renewable energy projects.

In addition, as power transmission and renewable energy projects are illiquid in nature, it also may make it difficult for us to sell our Portfolio Assets. Further, pursuant to the InvIT Regulations, we are required to hold an infrastructure asset for a minimum period of three years from the date of purchase.

The Investment Manager expects to face competition for acquisition opportunities, and competitors for these opportunities may have greater financial resources or access to financing on more favorable terms than us. Further, it may be that the types of investments sought by the Investment Manager are small in number. This competition, and possible limits in the number of available opportunities, may limit acquisition opportunities, lead to higher acquisition prices, or both.

In general, acquisitions involve a number of risks, including the inability to secure or repay the financing required to acquire large power transmission projects and renewable energy projects, the failure to retain key personnel of the acquired business and the failure of the acquired business to achieve expected results. Our Investment Manager may fail to identify material risks or liabilities associated with the acquired business prior to its acquisition, such as repayment or default risks related to existing debt of assets that we may acquire. The execution of our acquisition growth strategy may also divert the Investment Manager's attention from the management of IndiGrid.

Additionally, acquisition of power transmission and renewable energy assets is subject to substantial risks, including the failure to identify material problems during due diligence (for which we may not be indemnified), the risk of over-paying for assets or not making acquisitions on an accretive basis, the ability to collect revenues and, if the projects are in new markets, the risk of entering markets and technologies where the Investment Manager has limited or no experience. In addition, any control deficiencies in the accounting systems of the assets that we acquire may make it more difficult to integrate them into our existing accounting systems. While the Investment Manager has performed and will perform due diligence on our prospective acquisitions, we may not be able to discover all potential operational deficiencies in such projects. The integration and consolidation of acquisitions requires substantial human, financial and other resources and may divert the Investment Manager's attention from our existing business concerns, disrupt our ongoing business or otherwise fail to be successfully integrated. There can be no assurance that any future acquisitions will perform as expected or that the returns from such acquisitions will support the financing utilized to acquire them or maintain them. As a result, the consummation of acquisitions may have a material adverse effect on the Investment Manager's ability to execute our growth strategy, which could have a material adverse effect on our business, cash flow and ability to make distributions to our Unitholders.

20. We may not be able to successfully fund future acquisitions of new projects due to the unavailability of debt or equity financing on acceptable terms or at all, which could impede the implementation of our acquisition strategy and negatively impact our business.

We will rely on debt and equity financing to expand our portfolio of projects through acquisitions in the future, which may not be available on favorable terms or at all.

Debt financing to fund the acquisition of a project may not be available on short notice or may not be available on acceptable terms. Since the timing and size of acquisitions cannot be readily predicted, we may need to be able to obtain funding on short notice to benefit fully from opportunities. However, under applicable law, the aggregate consolidated borrowings and deferred payments net of cash and cash equivalents of IndiGrid cannot exceed 70% of the value of our assets. As our borrowings and payments have exceeded 49%, we have obtained a credit rating of "AAA" or equivalent for the consolidated borrowing and proposed borrowing under the InvIT Regulations. In addition, such level of indebtedness of IGL, IGL1, IGL2 and the Portfolio Assets may impact our ability to borrow without prior approval of our Unitholders.

Restrictions imposed by the Reserve Bank of India may limit our ability to borrow overseas for projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, there can be no assurance that any required regulatory approvals or borrowing in foreign currencies will be granted to us without onerous conditions, or at all.

Debt financing may increase our vulnerability to general adverse economic and industry conditions by limiting our flexibility in planning for or reacting to changes in our business and our industry. We will also be subject to the risk that certain covenants in connection with any future borrowings may limit or otherwise adversely affect our operations and our ability to acquire additional projects or undertake other capital expenditure by requiring us to dedicate a substantial portion of our cash flows from operations to payments on our debt.

We may also fund the consideration (in whole or in part) for future acquisitions through the issuance of additional Units. Such issuances may result in the dilution of the interests held by existing Unitholders. IndiGrid may not be able to complete the issuance of the required number of Units on short notice or at all due to a lack of investor demand for the Units at prices that it considers to be in the interests of then-existing Unitholders. As a result of a lack of funding, we may not be able to pursue our acquisition strategy successfully. Potential vendors may also view the prolonged time frame and lack of certainty generally associated with the raising of equity capital to fund any such purchase negatively and may prefer other potential purchasers.

21. We operate in a highly competitive environment, and increased competitive pressure could adversely affect our business and the ability of the Investment Manager to execute our growth strategy.

The market for investing in power transmission projects, renewable energy projects and energy infrastructure generally, is highly competitive and fragmented, and the number and variety of investors for energy infrastructure assets has been increasing. Some of our competitors are, or may be supported by, large companies that have greater financial, managerial and other resources than us. Our competitors may also have established relationships with other stakeholders that may place them in a better position to take advantage of certain opportunities. We also compete with other conventional and renewable energy companies in India for a limited pool of personnel with requisite industry knowledge and experience, equipment supplies, permits and land to develop new projects. Our operational projects may compete on price if we sell electricity into power markets at wholesale market prices. We may have to compete with other conventional energy and renewable energy generators when we negotiate or renegotiate a long-term Power Purchase Agreement. A reduction in demand for energy from renewable energy sources or our failure to successfully acquire new renewable energy projects may have an adverse effect on our business and financial condition. Furthermore, technological progress in conventional forms of electricity generation or the discovery of large new deposits of conventional fuels could reduce the cost of electricity generated from those sources or make them more environmentally friendly, and as a consequence reduce the demand for electricity from renewable energy sources or render our Projects uncompetitive.

The competitive environment may make it difficult for the Investment Manager to successfully acquire power transmission and renewable energy projects. Our ability to execute our growth strategy could be adversely affected by the activities of our competitors and other stakeholders. These competitive pressures could have a material adverse effect on our business, expected capital expenditures, results of operations, cash flows and financial condition and our distributions to our Unitholders.

22. Opposition from local communities and other parties may adversely affect our financial condition, results of operations and cash flows.

The construction and operation of our power transmission systems, substation projects and solar projects may have significant consequences on grazing, logging, agricultural activities, mining and land development as well as on the ecosystem of the affected areas. The environmental impact of a particular project typically depends on the location of the project and the surrounding ecosystem. Further, the operation of our power transmission systems and solar projects may disrupt the activities and livelihoods of local communities, especially during the project construction period. Repair work on a project may be delayed in order to resolve local community concerns. Any such opposition may adversely affect our financial condition, results of operations and cash flows, and harm our reputation.

Our Portfolio Assets could be subject to opposition, such as through litigation or by other means, from public interest groups, local communities or non-governmental organizations, in relation to the environmental impact of their transmission projects or in relation to land acquisition, acquisition and use of rights of way and construction activities for their projects and the consequent impact on the livelihood of affected communities.

Several of the parcels of land on which the Transmission Assets' existing substations are situated were acquired by the GoI or the relevant state governments and were thereafter awarded to us. Land so acquired may remain subject to disputes after it is transferred to our Transmission Assets.

In addition, there are various court proceedings pending against the Transmission Assets with respect to land on which the Transmission Assets have right of way, for the purposes of construction of the transmission lines, most of which relate to demands for increased compensation by landowners. For example, the lands on which the transmission lines of, inter alia, OGPTL, PrKTCL and GPTL are situated are subject to litigation in relation to right of way claims from land owners, which caused delays in the operation of the transmission lines. For further details, please see the section entitled "*Litigation*" on page 316.

23. Our operations are subject to environmental, health and safety laws and regulations.

Our operations are subject to environmental laws and regulations in the various locations in India where our Portfolio Assets operate. Although most environmental approvals were obtained prior to completion of construction of the Portfolio Assets, environmental laws and regulations in India have, and may continue to become, more stringent. Stricter laws and regulations, or stricter interpretation of the existing laws and regulations, may impose new liabilities on the Portfolio Assets, which could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

The employees and contractors on our power transmission projects and the solar projects are exposed to risks. If safety procedures are not followed or if certain materials used in our equipment is improperly handled, it could lead to injuries to employees, contract laborers or other persons, damage our Portfolio Assets' properties and properties of others or harm the environment. Due to the nature of these materials, we may be liable for certain costs, including costs for health-related claims, or removal or treatment of hazardous substances, including claims and litigation from or relating to current or former employees for injuries arising from occupational exposure to materials or other hazards at power substations and transmission facilities. This could result in significant disruption in our businesses and legal and regulatory actions, which could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows and adversely affect our reputation. For example, a fatal accident at the time of construction along the transmission line set up by BDTCL resulted in the death of eight laborers.

24. ***Changes in technology may render our current technologies obsolete or require us to make substantial capital investments. Failure to respond to current and future technological changes in an effective and timely manner may adversely affect our business and results of operations.***

Although the Portfolio Assets attempt to maintain the latest international technology standards, the technology requirements for businesses in the solar energy sectors are subject to continuing change and development. Some of our existing technologies and processes in the solar energy business may become obsolete or perform less efficiently compared to newer and better technologies and processes.

The cost of upgrading or implementing new technologies, upgrading our existing equipment or expanding capacity could be significant and may adversely affect our results of operations if we are unable to pass on such costs to our customers or recover such costs from revenue. Failure to respond to current and future technological changes in an effective and timely manner may adversely affect our business and results of operations.

25. ***We may not be able to acquire the Framework Asset from GR Infra within the timelines stipulated in the Framework Agreement, or at all.***

On December 21, 2022, we entered into the Framework Agreement with GR Infra through which we agreed to acquire 100% of the Framework Asset from GR Infra, in tranches, subject to certain conditions precedent, including, *inter-alia*, the Framework Asset achieving COD and definitive purchase agreements being entered into.

If the final consideration payable or other terms of the share purchase agreement differ or are more onerous than currently contemplated in the Framework Agreement, or if the Framework Asset does not achieve COD in a timely manner, such acquisition may require us to incur higher acquisition and financing costs or not complete such acquisition, and our financial condition and results of operations may be adversely affected.

Further, GR Infra's ability to complete the construction and operationalization of the Framework Asset on time is subject to, amongst other things, its ability to award subcontracts to competent contractors in a timely manner and to ensure the timely execution of such contracts, while ensuring that the required quality is maintained by these contractors. Price increases, foreign exchange movement or shortages in the availability of equipment could adversely affect GR Infra's ability to develop the project in line with its projected budget or originally envisaged timeframes.

In addition, the Framework Agreement may be terminated, in certain circumstances, including, amongst others, (i) by mutual consent of the parties to the Framework Agreement; and (ii) if definitive documents in relation to acquisition of the Framework Asset are not executed prior to the date falling on the expiry of 12 months from the COD of the project or such other date as may be mutually agreed upon. Termination of the Framework Agreement would adversely affect our ability to implement our acquisition growth strategy, and consequently have a negative impact on our business and overall prospects. For further details in relation to the Framework Agreement, please see the section entitled "*Our Business*" on page 211.

26. ***Our success depends in large part upon our Investment Manager and our Project Manager, the management and skilled personnel that they employ and their ability to attract and retain such persons.***

Our ability to make consistent distributions to our Unitholders depends on the continued service of management teams and skilled personnel of our Investment Manager and our Project Manager. Each faces a continuous challenge to recruit and retain a sufficient number of suitably skilled personnel. Generally, there is significant competition for management and other skilled personnel in our industry in India, and it may be difficult to attract and retain the skilled personnel that our Investment Manager or our Project Manager need. In particular, even if our Investment Manager and our Project Manager were to increase their pay structures to attract and retain such personnel, they may be unable to compete with other companies for suitably skilled personnel to the extent they are able to provide more competitive compensation and benefits. Further, our operational growth due to the acquisition of assets and the expansion of our portfolio may result in difficulties in the recruitment of a sufficient number of suitably skilled personnel. In addition, our Investment Manager and Project Manager may not be able to adequately redeploy and retrain their employees to keep pace with continuing changes, evolving standards and changing customer preferences. Our Investment Manager and Project Manager may face difficulties in providing opportunities for growth and promotion to the existing employees. The loss of key personnel, due to such reasons, may have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

27. ***Upgrading or renovation work or physical damage to our power transmission projects and solar projects may disrupt their operations.***

Our power transmission projects and solar projects may need to undergo upgrading, renovation or repair work from time to time to retain their optimal operating condition and may also require unforeseen ad hoc maintenance or repairs in respect of faults or problems that may develop or because of changes pertaining to operations and maintenance. Our power transmission projects and solar projects may suffer some disruptions and it may not be possible to continue operations on areas affected by such upgrading or renovation work. In addition, physical damage to power transmission and renewable energy projects resulting from fire, severe weather or other causes may lead to a significant disruption to, or a long-term cessation of, business and operations and, together with the foregoing, may result in unforeseen costs, which may have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

28. Grid disturbances or failures could adversely affect our reputation and relations with regulators and stakeholders.

Grid disturbances can arise due to the imbalance between power being delivered to and removed from the transmission system. For example, in July 2012, India experienced grid disturbances, which caused large-scale power outages in three of India's five interconnected power grids. The grid disturbances were caused by a combination of factors, including weakened inter-regional corridors due to multiple outages on other transmission lines, a delay or refusal by power generators to reduce power generation at the time of reduced demand and overdrawing of electricity by some of the provincial utilities. Further, in April 2020, grid disturbances were caused due to the nationwide scheduled blackout aimed to show support for workers maintaining the country's essential services. In October 2020, Mumbai experienced a grid failure and consequent power outage due to failure of two transmission lines and the overloading of the remaining transmission system.

Although our Transmission Assets deploy methods for maintenance, load dispatch and communications systems to avoid such outcomes, the grid could again experience disturbances and such disturbances could adversely affect our reputation, business, prospects, financial condition, results of operations and cash flows. For instance, in May 2020, due to bad weather, one of the transmission lines operated by JKTPL, our Portfolio Asset experienced overvoltage and the substation was temporarily inoperable due to blackout.

29. Our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by employees or other disputes with employees.

The Project Manager has full-time employees focused on day-to-day operations and maintenance and the Portfolio Assets have appointed third party contractors to operate and maintain our transmission systems and solar projects. Our transmission systems and solar projects may experience disruptions in their operations due to disputes or other problems with labor, and efforts by workers to modify compensation and other terms of employment may divert management's attention and increase operating expenses. The occurrence of such events could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

The Project Manager and our Portfolio Assets enter into contracts with independent contractors to complete specified assignments in respect of our transmission systems and solar projects and these contractors are required to source the labor necessary to complete such assignments. Although the Project Manager and our Portfolio Assets do not engage these laborers directly, under Indian law they may be held responsible for wage payments to laborers engaged by contractors, should the contractors default on wage payments. Any requirement to fund such payments may materially and adversely affect the business, prospects, financial condition, results of operations and cash flows. Furthermore, pursuant to the provisions of the Contract Labor (Regulation and Abolition) Act, 1970, the Project Manager and our Portfolio Assets may be required to absorb a portion of the wage payments due to such contract laborers that are engaged by independent contractors, as if they were their employees.

30. As direct or an indirect shareholder of our Portfolio Assets and Other Portfolio Entities, IndiGrid's rights are subordinated to the rights of creditors, debt holders and other parties specified under Indian law in the event of insolvency or liquidation of any of the Portfolio Assets.

In the event of liquidation of any of the Portfolio Assets, secured and unsecured creditors of such Portfolio Assets will be entitled to payment from the liquidation proceeds in priority to us in our capacity as a direct or indirect equity shareholder of the Portfolio Assets. Under the Insolvency and Bankruptcy Code, 2016, in the event of winding-up of any of the Portfolio Assets, workmen's dues and debts due to secured creditors which rank *pari passu* are required to be paid in priority over all other outstanding debt, followed by wages and salaries of employees, debts due to unsecured creditors, any amounts due to the central or state government, any other debts, preference shareholders and equity shareholders. Further, amounts payable to us in respect of any unsecured debt issued by our Portfolio Assets will be subordinated in the manner set forth above. The operations of our Portfolio Assets and Other Portfolio Entities also depend on our relationships with other shareholders and stakeholders. In accordance with the InvIT Regulations, the Trust has invested in GPTL, NER and KTL in which SPTL, our erstwhile sponsor, is a shareholder. Further, KBPL, which has been recently incorporated for the implementation of a battery energy storage system project, also has a third-party minority shareholder. The shares held by SPTL in GPTL, NER and KTL are proposed to be acquired by the Trust in the future in accordance with the GPTL Share Purchase Agreement, the NER Share Purchase Agreement and the KTL Share Purchase Agreement. In the interim, such shares remain the assets of SPTL (or in the case of KBPL, a third party shareholder) and may be subject to encumbrances, regulatory proceedings and other restrictions imposed on such shareholder, which are beyond our control. Also see "*—Our lenders have substantial rights to determine how we conduct our business which could put us at a competitive disadvantage and our borrowings are secured by all of the assets of the Portfolio Asset and their shares*" below.

Under the terms of the TSAs executed by the Transmission Assets with LTTCs, the Transmission Assets are not permitted to create or subsist any encumbrance over all or any of their rights and benefits under the TSAs. However, the Transmission Assets are permitted to create any encumbrance over all or part of the receivables, including under the TSAs, letters of credit or the other assets of the Transmission Assets in favour of lenders or representatives of lenders on their behalf, as security for amounts payable under the financing agreements with such lenders, subject to the conditions specified under the TSAs.

Direct and indirect tax assessments of the Transmission Assets for only few years have been initiated by the relevant government department and authorities and there may be additional tax liabilities, including if pending tax litigation is ruled against us.

Accordingly, amounts payable to us in respect of any unsecured debt subscribed by us, will, upon enforcement of security over such receivables, letters of credit or the other assets of the Portfolio Assets, be subordinated to amounts payable in respect of statutory dues and operating and maintenance expenses (including operating expenses payable to the Portfolio Assets, if any), as well as to amounts payable to secured lenders.

31. ***Our lenders have substantial rights to determine how we conduct our business which could put us at a competitive disadvantage and our borrowings are secured by all of the assets of the Portfolio Asset and their shares.***

Loans under the loan agreements are secured by, amongst others, (i) first ranking pari passu charge over all present and future immovable assets; (ii) first ranking pari passu charge on all tangible movable assets, including movable plants and machinery, machinery spares, tools and accessories and all other movable assets and current assets, both present and future; and (iii) first charge, including by way of hypothecation, over all accounts, both present and future, that may be opened in accordance with the loan documents; (v) assignment by way of security or charge by way of hypothecation, over all right, title, interest, claims, benefits and demands relating to, (a) the agreements in relation to the Project (the "**Project Agreements**"); (b) clearances obtained pertaining to the project; (c) any letter of credit, guarantee, including contractor guarantees, liquidated damages, consent agreements, side letters or performance bond provided by any party to the Project Agreements; and (d) insurance contracts and insurance proceeds pertaining to the project; and (vi) pledge of the equity share capital of the Portfolio Assets, in terms of the financing agreements.

The securities of the following Portfolio Assets have been pledged as detailed in the table below:

Portfolio Asset	Loan facility and lenders	Pledge of Portfolio Asset shares
BDTCL	(i). Rupee term loan availed by IndiGrid from IndusInd Bank Limited; (ii). Rupee term loan availed by IndiGrid from Federal Bank Limited; (iii). Rupee term loan availed by IndiGrid from Axis Bank Limited (iv). Rupee term loan availed by IndiGrid from HDFC Bank Limited; (v). Rupee term loan availed by IndiGrid from HSBC Limited; (vi). Rupee term loan availed by IndiGrid from ICICI Bank Limited; (vii). Rupee term loan availed by IndiGrid from Union Bank Limited and (viii). Non-convertible debentures issued by IndiGrid	IGL has pledged 99% of its equity shares of BDTCL
JTCL		IGL has pledged 99.89% of its equity shares of JTCL
MTL		IGL& IGL2 have pledged 99% of the equity shares of MTL
RTCL		IGL & IGL1 have pledged 99.99% of the equity shares of RTCL
PKTCL		IGL has pledged 99.99% of the equity shares of PKTCL
PTCL		IndiGrid has pledged 99.99% of the equity shares of PTCL
NTL		IGL1 has pledged 99.99% of the equity shares of NTL
JKTPL		IndiGrid has pledged 99% of the equity shares of JKTPL
IGL1		IndiGrid has pledged 99% of the equity shares of IGL1
OGPTL		IGL2 has pledged 99% of the equity shares of OGPTL;
ENICL		IndiGrid has pledged 99% of the equity shares of ENICL
GPTL		IndiGrid and Sterlite Power Transmission Limited (SPTL) have pledged 99% of the equity shares of GPTL
PrKTCL		IndiGrid has pledged 73% of the equity shares of PrKTCL
NER		IndiGrid and Sterlite Power Transmission Limited (SPTL) have pledged 99.99% of the equity shares of NER
IGL Solar-I		IndiGrid has pledged 99% of the equity shares of IGL Solar I
IGL Solar-I (CCD)		IndiGrid has pledged 99% of the compulsorily convertible debentures of IGL Solar I
IGL Solar-II		IndiGrid has pledged 99% of the equity shares of IGL Solar II
IGL Solar-II (CCD)		IndiGrid has pledged 99% of the compulsorily convertible debentures of IGL Solar II
IGL 2		IndiGrid has pledged 99% of the equity shares of IGL 2
Kallam		IGL1 and IGL2 has pledged 99% of the equity shares of Kallam
RSTCPL		IndiGrid has pledged 99% of the equity shares of RSTCPL

Portfolio Asset	Loan facility and lenders	Pledge of Portfolio Asset shares
IGL		IndiGrid has pledged 99% of the equity shares of IGL
KTL		IndiGrid and Sterlite Power Transmission Limited (SPTL) have pledged 99% of the equity shares of KTL

For further details, please see sections entitled "*Description of Portfolio Assets*" and "*Financial Indebtedness and Deferred Payments*" on pages 27 and 270 respectively.

In the event of a default under these loan agreements, there is a risk that the lenders could enforce the pledge by way of court procedure followed by a public auction of the pledged shares. Further, we may be required to pledge the shares of the Portfolio Assets for any refinanced or additional indebtedness. If we lose ownership or control of the Portfolio Assets, or of all or some of their assets as a result of the enforcement of security by a lender, our business, financial condition, results of operation, cash flows and ability to make distributions to our Unitholders would be adversely affected.

32. We have a substantial amount of outstanding borrowings, which requires significant cash flows to service, and limits our ability to operate freely.

As of September 30, 2023, our consolidated total borrowings was ₹ 186,911.79 million. For further details, please see the section entitled "*Financial Indebtedness and Deferred Payments*" on page 270.

We intend to finance the majority of the cost of our future acquisitions of power transmission and renewable energy companies through various means of funding, including debt and therefore may to incur substantial additional borrowings in the future. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business. Further, we have, in the past been given a corporate credit rating of 'CRISIL AAA/Stable' by CRISIL, 'IND AAA'/Stable by India Ratings and 'ICRA AAA (Stable)' by ICRA. Any adverse revisions to such credit ratings by rating agencies may adversely affect our ability to raise additional financing and may have a material adverse effect on our business, financial condition, cash flows and results of operations.

Further, we may be required to refinance our outstanding borrowings in the future. There is no assurance that we will be able to obtain such financing, on favorable terms, or at all, which may have a material adverse effect on our business, financial condition, cash flows and results of operations and may result in a lower distribution to Unitholders.

We cannot assure you that we will generate sufficient cash to service existing or proposed borrowings or fund other liquidity needs, which could have an adverse effect on our business, cash flows and results of operations.

33. Our insurance policies may not provide adequate protection against various risks associated with our operations.

Our operations are subject to a number of risks generally associated with the transmission of electricity. We have obtained insurance policies for the majority of our Portfolio Assets to cover risks including loss or damage from fire, flood, storm, terrorism, sabotage, machinery breakdown and any accidental and physical loss and destruction or damage to the insured property due to a cause, other than as excluded in the insurance policies. These risks can cause personal injury and loss of life and damage to, or the destruction of, property and equipment (including infrastructure developed by us) and may result in the limitation or interruption of our business operations and the imposition of civil or criminal liabilities. Certain of these insurance policies are subject to exclusions for certain circumstances including, among others, faulty or defective design materials or workmanship, wear and tear, larceny, acts of fraud or dishonesty, any wilful act or wilful negligence on the part of the insured or any person acting on its behalf, war, invasion, damage caused by nuclear weapons material or ionising radiation or contamination by radioactivity from any nuclear fuel or nuclear waste, loss or damage caused directly or indirectly from discharge of pollutants or contaminants, and certain properties, including, among others, money, cheques, bonds, credit cards, securities of any description and explosives. The principal types of insurance coverage typically include industrial all risk policy, and standalone burglary policy.

Our insurance policies may not be sufficient to cover any material losses that we may incur in the future and we may not be able to renew our insurance arrangements, which typically extend for a period of one year, on similar terms or at all. If our losses significantly exceed our insurance coverage, cannot be recovered through insurance or occur during a period during which insurance coverage had lapsed, our business, prospects, financial condition, results of operations and cash flows could be materially and adversely affected.

In addition, we may not be able to maintain insurance of the types or at levels which are necessary or adequate for our business or at rates which are reasonable, in particular, in case of significant increases in premium levels at the time of renewing insurance policies or the lack of availability of insurance companies to underwrite these risks. As of the date of this Preliminary Placement Document, we have submitted insurance claims with the relevant authorities in respect of certain Portfolio Assets aggregating to Rs. 124.40 million. The claim amounts are subject to assessment and review by the relevant assessor and insurance company and we may not be able to recover the complete claim amount in such claims. The costs of higher insurance premiums could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows. Furthermore, the occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

34. We may be required to record significant charges to earnings in the future when we review our power transmission assets for potential impairment.

Under Ind AS, we are required to review our power transmission assets for impairment whenever circumstances indicate the carrying value may not be recoverable. Various uncertainties, including deterioration in global economic conditions that result in upward changes in the cost of capital, increases in cost of completion of such power transmission assets and the occurrence of natural disasters that impact our power transmission assets, could impact expected cash flows to be generated by such assets, and may result in impairment of these power transmission assets in the future. For instance, we have incurred impairment related expenditure for certain assets in the past and have recorded impairment reversal at a consolidated level for PrKTCL in Fiscal 2023.

35. The audited Consolidated Financial Statements and Standalone Financial Statements of IndiGrid presented in this Preliminary Placement Document may not be indicative of our future financial condition, results of operations and cash flows.

The Consolidated Financial Statements included in this Preliminary Placement Document may not be comparable to our consolidated financial statements in the future, including on account of the acquisitions of eligible infrastructure assets in the power transmission, renewable energy sectors and other in accordance with our Investment Objectives and business strategy, and related transactions.

36. The unaudited consolidated and standalone interim condensed financial statements prepared in accordance with IndAS 34 and InvIT Regulations of IndiGrid present in this Preliminary Placement Document may not be indicative of our financial condition, results of operations and cash flows.

The financial information for the half year ended September 30, 2023 is not audited and derived from the unaudited interim condensed standalone financial statements for the half year ended September 30, 2023 and unaudited interim condensed consolidated financial statements for the half year ended September 30, 2023, which were prepared in accordance with IndAS 34 and the InvIT Regulations. These unaudited consolidated and standalone interim condensed financial statements are not audited and are based on limited review, in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India.. The disclosures present in the unaudited consolidated and standalone interim condensed financial statements prepared in accordance with IndAS 34 and InvIT Regulations of IndiGrid for this period may not be comparable to our standalone and consolidated financial statements in the future, including on account of the acquisitions of eligible infrastructure assets in the power transmission, renewable energy sectors and other in accordance with our Investment Objectives and business strategy, and related transactions.

37. The audit report on the Consolidated Financial Statements of IndiGrid for fiscal 2021 contains a matter of emphasis.

The audit report on the Consolidated Financial Statements of IndiGrid for fiscal 2021 contains the matter of emphasis in relation to a difference in the recognition of revenue and tariff approved for the tariff period 2019-2024 by PrKTCL, one of the special purpose vehicles held by IndiGrid. The auditors have drawn attention to the note of the consolidated financial statements as regards revenue recognition in Parbati Koldam Transmission Company Limited (PKTCL), a subsidiary of the Group, on which the auditor of such subsidiary has issued an emphasis of matter by drawing attention to a note of the financial statements in respect of revenue. PKTCL during the year has recognized the Transmission Service Charges (TSC) which is based on the final tariff order approved by the CERC and applicable as on March 31, 2019 as tariff petition for the tariff period 2019-2024 is yet to be filed by the Company. Difference in the Revenue recognized and the tariff approved for the tariff period 2019-24 shall be recognized once the tariff petition is filed by the Company and the same is approved by the CERC for the tariff period 2019-24. The amount billed is Rs. 16, 736.56 lacs (Previous year Rs. 18, 940.68 lacs)

38. We classify the transmission assets in the Portfolio Assets as tangible assets and any change in such classification could have a material adverse effect on our financial condition, results of operations and cash flows.

We classify the transmission assets in the Portfolio Assets, apart from the transmission asset in JKTPL, as tangible assets under Ind AS 16 – *Property, Plant and Equipment* and not as financial and/or intangible assets under Appendix D of Ind AS 115 – *Revenue from contracts with customers*. In relation to all the Transmission Assets (other than JKTPL), we have entered into TSAs with relevant LTTCs through a tariff based competitive bidding process to build, own, operate and maintain the transmission assets. The grantor as defined in the IndAS 115 (Appendix D) requires transmission licensee to obtain various approvals under the regulatory framework to conduct its operations both during the period of the license as well as at the end of the license period. Generally the grantors involvement and approvals are to protect public interest and not to control, through ownership or beneficial entitlement or otherwise, any significant residual interest in the transmission assets at the end of the term of the agreement. Accordingly, we have concluded that Appendix D of IndAS 115 is not applicable to the transmission assets and such assets are classified as tangible assets in the respective financial statements. The transmission asset in JKTPL has entered into a tariff based competitive mechanism to design, build, operate and transfer the transmission asset at the end of the tenor and hence the same is classified as a "service concession agreement" under Appendix D to Ind AS 115. If there is a change in the classification, accounting policies or the interpretation which results in the other transmission licenses held by the Transmission Assets being considered "service concession arrangements" under Appendix D to Ind AS 115, it would have significant implications on our financial statements resulting in a material adverse effect on our financial condition, results of operations. In such case, a substantial part of our income would be considered financial income and a substantial part of our assets would be considered financial and/or intangible assets where none of the property, plant or equipment of the Transmission Assets would be reflected on their respective balance sheets and accordingly there would be no depreciation on property, plant or equipment in the statement of profit and loss.

39. There are risks associated with the expansion of our business to new areas.

As part of our growth strategy, we may expand our business to new areas, which may prove more difficult or costly than anticipated. For example, we intend to pursue additional sources of revenue, such as optical fiber, tower leasing and battery energy storage systems, which we may be unable to monetize due to regulations issued by CERC which require the sharing of revenue from power transmission projects or if we are unable to obtain requisite approvals from CERC, LTTCs or other regulatory or governmental authorities.

40. Critical aspects of our power transmission projects and solar projects have a limited duration.

Our TSAs have a term of 35 years except the TSAs in respect of ENICL and JKTPL which have a term of 25 years. The renewal of the TSA in respect of ENICL is subject to the discretion of the CERC while the extension of the TSA in respect of JKTPL is subject to the discretion of Haryana Vidyut Prasaran Nigam Limited. There can be no assurance that we can replace our physical assets or renew our TSAs on acceptable terms, if at all.

While the TSAs have a duration of 35 years, the transmission licenses issued by CERC are valid for a period of 25 years from the date of issue of the transmission license. There can be no assurances that these licenses will be renewed.

The Power Purchase Agreements for our solar projects are fixed-term agreements and typically allow the off-taker to terminate the agreement upon the occurrence of certain events, including the failure to:

- comply with prescribed minimum shareholding requirements;
- complete the project construction or connect to the transmission grid by a certain date;
- supply the minimum amount of power specified;
- comply with prescribed operation and maintenance requirements;
- obtain regulatory approvals and licenses;
- comply with technical parameters set forth in grid codes and regulations; and
- comply with other material terms of the relevant Power Purchase Agreement.

As a result, we cannot provide any assurance that Power Purchase Agreements containing such provisions will not be terminated. Moreover, there can be no assurance that, in the event of termination of a Power Purchase Agreement, we will not be exposed to additional legal liability or be able to enter into a replacement Power Purchase Agreement. Any replacement Power Purchase Agreement may be on terms less favourable to us than the Power Purchase Agreement that was terminated.

Further, the Power Purchase Agreements provide for a fixed term, subject to some variations and extension as permitted under the agreements or as may be granted by the off-takers. There is no assurance that off-takers will grant any extensions in the future. Further, the tenure of new PPAs has been reduced to 20 years from 25 years under the Hybrid Project Competitive Bidding Guidelines, which may be extended up to 25 years in certain circumstances. In addition, there can be no assurance that IndiGrid will be able to successfully acquire new assets to replenish its portfolio once the term of the existing Power Purchase Agreements is completed.

41. Systems failures, cyber security breaches and attacks and resulting interruptions in the operation of our Project could adversely affect our business, financial condition, cash flows and results of operations.

The proper functioning of our technology infrastructure is essential to the conduct of our business. Our technological systems may experience service interruptions or other performance problems because of, amongst other, hardware and software defects or malfunctions, unexpected high volume of transactions, cyberattacks and cyber-security breaches, infrastructure changes, human error, natural disasters, power losses, disruptions in telecommunications services, unauthorized access, fraud, military or political conflicts, terrorist attacks, legal or regulatory takedowns, computer viruses, ransomware, malware, or other events. In some instances, we may not be able to identify the cause of these performance problems within a reasonable period of time. Further, as techniques used to obtain unauthorized access to or sabotage systems change frequently and may not be known until launched against us, we may be unable to anticipate, or implement adequate measures to protect against, these attacks.

Our insurance coverage may not be sufficient to cover all of our losses that may result from interruptions in our service as a result of systems failures and similar events and we may need to expend significant financial and development resources to analyze, correct, or eliminate errors or defects or to address and eliminate vulnerabilities. Any failure to timely and effectively resolve any such errors, defects, or vulnerabilities or recover data could adversely affect our business, financial condition, cash flows and results of operations. There is no assurance that we will be able to successfully claim such insurance coverage.

42. The Valuation Report, and any underlying reports, are not opinions on the commercial merits of IndiGrid or the Portfolio Assets, nor are they opinions, expressed or implied, as to the future trading price of the Units or financial condition upon listing, and the valuation contained therein may not be indicative of the true value of our assets.

Manish Gadia is the registered valuer who has undertaken an independent appraisal of the Portfolio Assets as of September 30, 2023, as per the provisions of the InvIT Regulations. The Valuation Report, included in Annexure A to this Preliminary Placement Document , sets out their opinion as to the fair enterprise value of the Portfolio Assets and is based on assumptions which have inherent limitations and involves known and unknown risks and uncertainties.

The Valuation Report is not an opinion on the commercial merits and structure of the Trust or the Portfolio Assets, nor is it an opinion, express or implied, as to the value of the Units or the financial condition of the Trust. The Valuation Report does not purport to contain all the information that may be necessary or desirable to fully evaluate the Trust or the Portfolio Assets or an investment in the Trust or the Units. The Valuation Report makes no representation or warranty, expressed or implied, in this regard. The Valuation Report does not confer rights or remedies upon investors or any other person, and does not constitute and should not be construed as any form of assurance as to the financial condition or future performance of the Trust or as to any other forward-looking statements included therein, including those relating to certain macro-economic factors, by or on behalf of the Trust, the Trustee, the Investment Manager, the Sponsor, the Placement Agents or the Project Manager. Further, we cannot assure you that the valuation prepared by the Valuer reflects the true value of the net future cash flows of the Portfolio Assets or that other valuers would arrive at the same valuation. Accordingly, the valuation contained therein may not be indicative of the true value of the Portfolio Assets. The Valuation Report has not been updated since the date of its issue, does not take into account any subsequent developments and should not be considered as a recommendation by the Trust, the Trustee, the Investment Manager, the Sponsor, the Placement Agents or the Project Manager or any other party that any person should take any action based on the Valuation Report.

43. The technical and statistical information with respect to the energy infrastructure sector and the Portfolio Assets referred to in this Preliminary Placement Document is subject to certain risks.

Statistical and other information in this Preliminary Placement Document relating to India, the Indian economy or the energy infrastructure sector have been derived from various government publications, research reports from reputable institutions and communications with various Indian government agencies that are believed to be reliable. However, there can be no guarantee as to the quality or reliability of such information.

Further, any other technical information reflected in the Preliminary Placement Document is subject to various limitations and is based upon certain estimates and assumptions that are subjective in nature. The technical reports for our Portfolio Assets reflect current expectations and views regarding future events, and contain forecasts, and other forward-looking statements that relate to future events. The future events referred to in such technical reports are subject to risks, uncertainties and factors such as gross domestic product growth, and per capita income changes. While reasonable care has been taken in the reproduction of the information, no assurance can be made as to the accuracy of such facts and statistics, which may not be consistent with other information compiled within or outside India. Due to possibly inconsistent or ineffective collection methods or discrepancies between published information and market practice, the statistics contained in the technical reports may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that the statistics are stated or compiled on the same basis or with the same degree of accuracy as may be the case with information from elsewhere.

We commissioned technical reports in relation to certain Portfolio Assets for the purposes of conducting an assessment of the Portfolio Assets. Further, these technical reports have been prepared based on information as of specific dates and may no longer be current or reflect current trends. Opinions in such technical reports based on estimates, forecasts and assumptions may prove to be incorrect. The technical reports are subject to various limitations and are based upon certain bases, estimates and assumptions that are subjective in nature and that are based, in part, on information provided by and discussions with or on behalf of us, the Investment Manager. There can be no assurance that the bases, estimates and assumptions adopted by the consultants for the purposes of preparing the technical reports will prove to be accurate. Future reports for the Portfolio Assets, as the case may be, could be materially different from those that are set forth in such technical reports and this Preliminary Placement Document. These technical reports are not a recommendation to invest or disinvest in units of IndiGrid. Prospective investors are advised not to unduly rely on the technical reports when making their investment decision. For the technical information relating to the Portfolio Assets, the technical reports and valuation reports, as the case may be, for each of the Portfolio Assets is available at https://www.indigrid.co.in/documents-manager/. The Valuation Report is also included in **Annexure A** to this Preliminary Placement Document.

44. This Preliminary Placement Document contains information from the CRISIL Report.

The information in the section entitled "*Industry Overview*" on page 169 is based on the CRISIL Report and other publicly available information. Further, the CRISIL Report has been prepared based on information as of specific dates and may no longer be current or reflect current trends. Opinions in the CRISIL Report based on estimates, projections, forecasts and assumptions may prove to be incorrect. Further, the commissioned report is not a recommendation to invest or disinvest in IndiGrid. Prospective investors are advised not to unduly rely on the industry report or extracts thereof as included in this Preliminary Placement Document, when making their investment decisions.

CRISIL Market Intelligence & Analytics (CRISIL MI&A) Research, a division of CRISIL Limited ("**CRISIL**") has taken due care and caution in preparing the CRISIL Report based on the Information obtained by CRISIL from sources which it considers reliable. The CRISIL Report is not a recommendation to invest / disinvest in any entity covered in the CRISIL Report and no part of the CRISIL Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it does not have access to information obtained by CRISIL Ratings Limited, which may, in their regular operations, obtain information of a confidential nature. The views expressed in the CRISIL Report are that of CRISIL MI&A and not of CRISIL Ratings Limited.

45. Our contingent liability (as per Ind AS 37) could adversely affect our financial condition, results of operations and cash flows.

As of September 30, 2023, we had a contingent liability (as per Ind AS 37) for entry tax demand, sales tax demand and other demands of Rs. 877.44 million that had not been provided for. If any of our contingent liabilities (as per Ind AS 37) materialize, it could have an adverse effect on our financial condition, results of operations and cash flows.

RISKS RELATED TO OUR ORGANIZATION AND STRUCTURE

46. Changes in government regulation could adversely affect our profitability and ability to make distributions.

Regulatory changes in India, particularly in respect of the InvIT Regulations, could expose us to greater tax liability than our estimates. The InvIT Regulations also requires us to maintain certain investment ratios, including the requirement that 80% of the value of our assets should comprise completed and revenue-generating assets, which may prevent us from acquiring additional assets to achieve our growth strategy.

47. We depend on the Investment Manager, the Project Manager and Trustee to manage our business and assets, and our financial condition, results of operations and cash flows and ability to make distributions may be harmed if the Investment Manager and/ or Project Manager and/or the Trustee fail to perform satisfactorily. Our rights and rights of the Unitholders to recover claims against the Project Manager, the Investment Manager or the Trustee

may be limited.

IndiGrid Investment Managers Limited, fulfils the role of our Investment Manager under the Investment Management Agreement, in accordance with the InvIT Regulations. IGL, a holding company under IndiGrid, fulfils the role of our Project Manager, with responsibility for operating and maintaining our projects and supervising their revenue streams.

The success of our business and growth strategy and the operational success of our projects will depend significantly upon the managers' satisfactory performance of these services. Our recourse against the Project Manager, the Trustee and Investment Manager is limited. The Trustee's liability under the Amended and Restated Trust Deed is limited to the fees received by it, except in case of the Trustee's gross negligence or wilful misconduct or fraud, as settled by a court of competent jurisdiction. Further, the Trustee is not liable for anything done or omitted to be done or suffered by the Trustee in good faith in accordance with or pursuance of any request or advice of our Investment Manager and for any action or omission that results in a loss to our Unitholders (by reason of any depletion in the value of the Portfolio Assets or otherwise), except in the event where such loss is a result of the Trustee's fraud, gross negligence or wilful default or breach of the Amended and Restated Trust Deed as determined by a court of competent jurisdiction. The Investment Manager's liability to IndiGrid for non-performance or breach of its obligations under the Investment Management Agreement is limited to two years of the fees payable to the Investment Manager (for the immediately preceding two financial years) under the agreement unless such liability arises in connection with any gross negligence, wilful default or misconduct or fraud of the Investment Manager. Further, the Investment Manager is not liable for any act or omission which may result in a loss to our Unitholders (by reason of any depletion in the value of the Portfolio Assets or otherwise), except in the event that such loss is a result of the Investment Manager's fraud or gross negligence or default or where the Investment Manager fails to exercise due care in relation to its obligations under the Investment Management Agreement. Accordingly, we may not be able to recover claims against the Project Manager, the Trustee or the Investment Manager.

If the Investment Management Agreement, Project Implementation and Management Agreement were to be terminated or if their terms were to be altered, our business could be adversely affected, as the Trustee may not be able to immediately replace such services, and even if replacement services were immediately available, the terms offered or obtained with the new managers could be less favorable than the ones currently offered by the Investment Manager and the Project Manager.

48. There may be conflicts of interest between IndiGrid, the Investment Manager and the Sponsor Group.

We may compete with existing and future private and public investment vehicles established and/or managed by the Sponsor Group or KKR or any funds, vehicles and/or entities managed and/or advised by KKR or any of its affiliates, which may present various conflicts of interest. Certain of these divisions and entities have or may have an investment strategy similar to our investment strategy and therefore may compete with us. Conflicts of interest may arise in allocating or addressing business opportunities and strategies amongst the Sponsor Group, the Investment Manager, and us, in circumstances where our interests differ from theirs.

In addition, the Trustee and/or Unitholders may not be aware of any such conflict, and even if made so aware, the Trustee and the Unitholders' ability to recover claims against the Investment Manager are limited. Moreover, the Investment Manager's liability is limited under the Investment Management Agreement and the Trustee has agreed to indemnify the Investment Manager out of our assets against certain liabilities. As a result, we could experience poor performance or losses for which the Investment Manager would not be liable.

Other present and future activities of the Sponsor Group, the Investment Manager and the Trustee or any of their affiliates may also give rise to additional conflicts of interest relating to us and our investment activities. In the event that any such conflict of interest arises, we will attempt to resolve such conflicts in a fair and reasonable manner; however, investors should be aware that conflicts will not necessarily be resolved in favour of our interests.

49. The Investment Manager's fee is not linked to our net profitability and is not capped at a maximum amount.

The Investment Manager's fee is not linked to our net profitability and is not capped at a maximum amount. For all Portfolio Assets except PrKTCL, the Investment Manager is entitled to a fee aggregating to 0.25% of AUM (as defined under the Investment Management Agreement) of the Portfolio Assets, subject to the condition that the fees payable shall not exceed 1.75% of the difference between revenue from operations and operating expenses (other than the fee of the Investment Manager) of each Portfolio Asset, per annum. For this purpose, the operating expenses do not include depreciation, finance cost and income tax expense. For PrKTCL, the Investment Manager is entitled to a fee aggregating to 0.25% of the AUM of PrKTCL subject to the condition that the fees payable shall not exceed 1.56% of the difference between revenue from operations and operating expenses (other than the fee of the Investment Manager) of PrKTCL, per annum. As a result, the Investment Manager may be entitled to its fee even if IndiGrid incurs a net loss on a consolidated basis. The Investment Manager's fee is not capped at a maximum amount and may be subject to change, including any increase on account of certain factors, including but not limited to the acquisition of new projects and assets by us.

50. ***We have entered into material related party transactions and may continue to do so in the future, which may potentially involve conflict of interests with the Unitholders.***

The transactions resulting from the Project Implementation and Management Agreement and the Investment Management Agreement are or shall be, as applicable, related party transactions and their terms may not be deemed as favorable to us as if they had been negotiated solely between unaffiliated third parties. In addition, the Portfolio Assets have entered into transactions with their related parties in the ordinary course of their business. While we believe that all such transactions have been conducted on an arm's length basis, it may be deemed that the Portfolio Assets might have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into additional related party transactions in the ordinary course of our business. Such future transactions, individually or in the aggregate, could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

51. ***Our Project Manager may compete with other power transmission and renewable energy projects and our Investment Manager may also provide services to other InvITs. Further, our Sponsor Group may have competing business ventures and interests.***

Our Sponsor Group and their associates are free to pursue the development, construction and operation of other power transmission projects and renewable energy projects and may compete directly with us for the acquisition of other similar assets and businesses.

The Investment Manager will also not be prohibited from providing management services to other investment trusts. If our Investment Manager engages in such activity in the future, it could give rise to conflicts of interest or adversely affect the ability of the Investment Manager to provide the levels of service that we require. Conflicts of interest of our Sponsor Group or Investment Manager may have an adverse effect on our business.

52. ***Our Portfolio Assets, the Sponsor and its Associates, the Sponsor Group, the Investment Manager and the Trustee are involved in certain legal and regulatory proceedings and any adverse outcome in these or other proceedings may have a material adverse effect on our reputation, business, financial condition, results of operations and cash flows.***

The Sponsor, Portfolio Assets, the Investment Manager, the Project Manager, their respective Associates, the Sponsor Group and the Trustee are involved in litigation, claims and other proceedings relating to the conduct of their business, including compensation claims, civil matters, criminal matters, notices and tax disputes as on the date of this Preliminary Placement Document. Any claims or notice could result in litigation against us, the Investment Manager, the Sponsor and their respective Associates and the Trustee, and could also result in regulatory proceedings being brought against us by various government and state agencies that regulate our businesses. Often, these cases raise complex factual and legal issues, which are subject to risks and uncertainties and which could require significant time from the operation and management of our Portfolio Assets. Litigation and other claims and regulatory proceedings against the Portfolio Assets or their management could result in unexpected expenses and liabilities and could also materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, directors of the Parties to the Trust may also be involved in regulatory proceedings and other litigation from time to time.

Currently, there are outstanding legal proceedings against our Portfolio Assets that are incidental to their business and operations. These proceedings are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals. Such proceedings could divert management time and attention, and consume financial resources in their defense. Further, an adverse judgment in some of these proceedings could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows. In addition, the Sponsor and their Associates, the Sponsor Group and the Investment Manager, are involved, and may become in litigation, claims and other proceedings relating to the conduct of their respective businesses, including compensation claims, civil matters and tax disputes. Any such litigation, show cause notice and/or regulatory proceedings could harm our reputation and materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, the Investment Manager has also received a show cause notice dated September 21, 2023 from the SEBI pursuant to an inspection of IndiGrid. For details of outstanding litigation involving IndiGrid, the Sponsor, the Investment Manager and their Associates, the Sponsor Group and the Trustee and certain matters in relation to certain directors of the Investment Manager and the Trustee, please see the section entitled "*Litigation*" on page 316.

53. ***We are required to maintain the eligibility conditions specified under Regulation 4 of the InvIT Regulations on an ongoing basis. We may not be able to ensure such ongoing compliance by the Investment Manager, our Sponsor, the Sponsor Group, the Project Manager and the Trustee, which could result in the cancellation of the registration of IndiGrid.***

We are required to maintain the eligibility conditions specified under Regulation 4 of the InvIT Regulations on an ongoing basis. These eligibility conditions include, among other things, that (a) the Sponsor, the Investment Manager and the Trustee are separate entities, (b) the Sponsor having a net worth of not less than Rs. 1,000 million and it, or its Associate, having a sound track record in the development of infrastructure or fund management in the infrastructure sector, (c) the Investment Manager has a net worth of not less than Rs. 100 million and has not less than five years' experience in fund management or advisory services or development in the infrastructure sector or the combined experience of the directors or employees of the Investment Manager in fund management or advisory services or development in the infrastructure sector is not less than 30 years, (d) the Trustee is registered with SEBI under Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 and is not an associate of the Sponsor or Investment Manager and (e) IndiGrid and Parties to IndiGrid are "fit and proper persons" as defined under Schedule II of the Intermediaries Regulations on an ongoing basis. We may not be able to ensure such ongoing compliance by InvIT and Parties of IndiGrid, which could result in the cancellation of the registration of IndiGrid as an infrastructure investment trust.

54. ***We must maintain certain investment ratios, which may present additional risks to us.***

Pursuant to the InvIT Regulations, we are required to invest not less than 80% of the value of our assets in completed and revenue-generating infrastructure projects, such as the Portfolio Assets, and are limited to our consolidated borrowings and deferred payments net of cash and cash equivalents not exceeding 70% of the value of our assets. Since, such borrowings and payments already exceed 49%, we are required to obtain a credit rating of "AAA" or equivalent for the consolidated borrowing and proposed borrowing under the InvIT Regulations. In addition, we must not invest more than 10% of the value of our assets in under-construction infrastructure projects. The value of our assets may be subject to macro-economic parameters such as change in interest rates and the market beta of the assets and a change in such parameters may have an adverse effect on our investment ratios. This may also lead to impairment of financial and non-financial assets of IndiGrid. If these conditions are breached on account of market movements of the price of the underlying assets or securities, the Investment Manager must inform the Trustee and ensure that these conditions are satisfied within six months of such breach (or within one year with Unitholder approval). Failure to comply with these conditions may present additional risks to us, including divestment of certain assets, delisting and other penalties, which could have a material, adverse effect on our business, financial condition, results of operations and cash flows.

55. ***The Investment Manager is required to comply with certain ongoing reporting and management obligations in relation to the Trust. There can be no assurance that the Investment Manager will be able to comply with such requirements.***

The Investment Manager is required to comply with certain ongoing reporting and management obligations in relation to the Trust in accordance with the InvIT Regulations. These requirements include, among other things, (a) making investment decisions with respect to the underlying assets or projects of IndiGrid, (b) overseeing the activities of the Project Manager, (c) investing and declaring distributions in accordance with the InvIT Regulations, (d) submitting reports to the Trustee (e) ensuring the audit of our accounts. In addition, pursuant to the recent amendments to the InvIT Regulations, the Investment Manager is required to comply with additional obligations under the InvIT Regulations in relation to the governance of the Trust, including in relation to the composition of its board of directors, committees and policies that are required to be adopted by the Investment Manager. There can be no assurance that the Investment Manager will be able to comply with such requirements in a timely manner or at all, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

56. ***The Investment Manager needs to comply with the AIFMD with respect to any delegation of its AIFMD management function.***

The Trustee has appointed the Investment Manager as the investment manager of IndiGrid. The Investment Manager does not intend to delegate all or any part of its AIFMD management function as of the date of this Preliminary Placement Document, although it reserves the right to do so if and to the extent permitted by the AIFMD, the Trust Deed and the documents governing the Investment Manager's investment management relationship with IndiGrid (each as amended and/or restated from time to time). To the extent that the Investment Manager does delegate any part of its AIFMD management function, a description of any management function that is delegated by the Investment Manager, including the identity of the relevant delegate and any potential conflicts of interest that may arise from such delegation, will be disclosed to investors in accordance with the requirements of the AIFMD.

57. ***The Investment Objectives may only be amended with respect to the Amended and Restated Trust Deed.***

The Amended and Restated Trust Deed sets out specific parameters and restrictions in respect of IndiGrid's investment strategy, investment policy and the Investment Objectives. The Investment Manager does not presently intend, as of the date of this Preliminary Placement Document, to seek to make any change to IndiGrid's investment strategy, investment policy and the Investment Objectives. Except as otherwise provided in the Amended and Restated Trust Deed, and subject to the requirements therein, any amendment to the Amended and Restated Trust Deed will be carried out as described in the Amended and Restated Trust Deed and in accordance with the InvIT Regulations.

58. Compliance with European Union Directive on Alternative Investment Fund Managers and the United Kingdom Regulation on Alternative Investment Fund Managers may increase administrative and regulatory burdens on the Investment Manager and IndiGrid.

As used herein, the "AIFMD" refers to Directive 2011/61/EU of the European Parliament and of the Council of June 8, 2011 on Alternative Investment Fund Managers, together with EU Commission delegated Regulation (EU) No. 231/2013 of December 19, 2012, supplementary Directive 2011/61/EU of the European Parliament and of the Council, and the national laws transposing Directive 2011/61/EU in any EEA member state in which the Units are marketed. The "UK AIFMR" refers to the United Kingdom's (the "UK") Alternative Investment Fund Managers Regulations 2013.

Among other things, the AIFMD regulates and imposes regulatory obligations in respect of the active marketing in the EEA by AIFMs (irrespective of whether they have their registered office in an EEA member state or elsewhere) of AIFs (whether established in an EEA member state or elsewhere). The Investment Manager is a non-EEA AIFM for the purposes of the AIFMD. Non-EEA AIFMs are currently not able to become authorized under the AIFMD. In order to market to investors resident, domiciled or with a registered office in the EEA, non-EEA AIFMs must market AIFs in accordance with the applicable national private placement regimes of the EEA member states in which they wish to market and comply with a sub-set of requirements under the AIFMD (which are much more limited in scope than those applicable to AIFMs that are established in the EEA). These requirements are: (i) "point-of-sale" disclosures (as to which, please see Annex D), (ii) ongoing investor disclosures required pursuant to Articles 23(4) and (5) of the AIFMD (as to which, please see below), (iii) provision of information relating to the IndiGrid's investments and its assets under management to the regulators of any EEA member state into which Units in IndiGrid are actively marketed, and (iv) the "asset-stripping" rules (in the event that IndiGrid acquires control of an EEA based portfolio company).

The information in respect of IndiGrid required to be disclosed pursuant to Articles 23(4) and (5) of the AIFMD will be made available to each Unitholder, as follows: (a) the percentage of IndiGrid's assets which are subject to special arrangements arising from their illiquid nature will be notified to the Unitholders; (b) any new arrangements for managing the liquidity of IndiGrid will be provided without undue delay in a disclosure notice delivered to each Unitholder; (c) the current risk profile of IndiGrid and the risk management systems employed by the Investment Manager to manage those risks may be provided in each annual report of IndiGrid; (d) any changes to the maximum level of leverage which the Investment Manager may employ on behalf of IndiGrid, as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangement, will be provided without undue delay in a disclosure notice delivered to each Unitholder and (e) the total amount of leverage employed by IndiGrid may be provided in each annual report of IndiGrid.

In addition, it is possible that some EEA member states will elect in the future to restrict or prohibit the marketing of non-EEA AIFs to investors based in those jurisdictions. Any such restrictions or prohibitions may make it more difficult for IndiGrid to raise its targeted amount of commitments.

In light of the foregoing, the AIFMD could have an adverse effect on the Investment Manager or IndiGrid by, among other things, increasing the regulatory burden and costs of doing business in the EEA members states, imposing extensive disclosure obligations on companies located in EEA member states, if any, in which IndiGrid invests, and potentially IndiGrid having the disadvantage as an investor in portfolio companies located in EEA member states as compared to competitors (e.g., those not in the alternative investment space) that may not be in scope of the AIFMD. The European Securities and Markets Authority ("**ESMA**") has recently also consulted on the possible extension of the passport for marketing and managing under AIFMD to non-EEA based managers (the marketing and managing passports under AIFMD are currently only available to certain types of EEA based managers).

ESMA provided advice to the European Commission in July 2015 and July 2016 on whether, amongst other things, the passporting regime should be extended to the management and/or marketing of AIFs by non-EEA AIFMs. The European Commission is currently considering whether the passport should be extended. It is currently not clear what the impact would be for the Investment Manager or IndiGrid of any decision by the European Commission to extend the passporting regime. If the AIFMD national private placement regimes (where implemented) continue to exist in parallel with an extension of the passporting regime, then the Investment Manager may continue to market under AIFMD national private placement regimes or choose to "opt-in" to rely on the passporting regime (which would likely mean an increase in regulatory and compliance costs to comply with the conditions of the passporting regime). If the AIFMD national private placement regimes are removed, then the Investment Manager would likely need to “opt-in” to the passporting regime for any AIFMD marketing of IndiGrid (which would likely mean an increase in regulatory and compliance costs for IndiGrid).

Following the withdrawal of the UK from the European Union and subject to compliance with the UK AIFMR, AIFMs may market AIFs to professional investors who are domiciled or have a registered office within the UK pursuant to the UK national private placement regime. The UK AIFMR currently imposes compliance obligations that are broadly similar to those detailed in the above paragraph in connection with a non-EEA AIFM marketing a non-EEA AIF pursuant to the national private placement regimes of certain EEA member states. If within scope of the UK AIFMR, these compliance obligations on an AIFM include, among other things, rules relating to the remuneration of certain personnel, minimum regulatory capital requirements, restrictions on use of leverage, restrictions on early distributions (“asset stripping” rules), the appointment of a depositary, disclosure and reporting requirements to both investors and home state regulators, and independent valuation of the assets of an AIF. Where information is provided in response to an own-initiative request by a prospective UK investor, such investor will not benefit from any protections or rights under the UK AIFMR in respect of any resulting subscription for limited partner interests.

In connection with IndiGrid’s initial public offering in 2017, IndiGrid registered with the UK Financial Conduct Authority (“FCA”) as an AIF whose units were to be marketed in the UK. However, as of the date of this Preliminary Placement Document, the Investment Manager, in its capacity as a non-UK AIFM, has not complied with certain ongoing reporting obligations to the FCA. Any failure to make these past filings, or continued non-compliance, could expose IndiGrid and the Investment Manager to penalties. If the non-compliance continues, their registration as an AIF and AIFM, respectively could be cancelled.

59. Investors generally have no direct rights against IndiGrid’s service providers.

Investors in IndiGrid generally have no direct rights against IndiGrid’s service providers, including without limitation an auditor and a depositary (if appointed). Where wrongdoing is alleged to have been committed against IndiGrid, such wrongdoing would generally only be actionable by the Trustee in its capacity as trustee of IndiGrid and/or the Investment Manager as the investment manager of IndiGrid. In the absence of any direct contractual relationship between the investors and IndiGrid’s service providers, there are only very limited circumstances in which an investor may bring a direct claim against any such service provider.

60. The European Union Directive on Alternative Investment Fund Managers and the United Kingdom Regulation on Alternative Investment Fund Managers may impose requirements on or restrict the use of leverage by IndiGrid and the Investment Manager.

Although the Investment Manager will seek to use leverage in relation to IndiGrid in a manner it believes is prudent, the use of leverage will generally magnify both the opportunities for gain and risk of loss from any given asset. The cost and availability of leverage is highly variable and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage will also result in interest expense and other costs that may not be covered by distributions made to IndiGrid or appreciation of its investments. An increase in interest rates may decrease the profitability of IndiGrid or its portfolio companies. The use of leverage also may impose restrictive financial and operating covenants on a portfolio company, in addition to the burden of debt service, and may impair its ability to carry out business operations or to finance future operations and capital needs. A leveraged capital structure will increase a portfolio company’s exposure to any deterioration in market conditions, competitive pressures, an adverse economic environment or rising interest rates, which could accelerate and magnify declines in the value of IndiGrid’s investments. If a portfolio company is not able to generate adequate cash flow to meet debt service, IndiGrid may suffer a partial or total loss of capital invested in such portfolio company.

To the extent required by applicable law and regulation, the Investment Manager will disclose any change to its leverage policy (such information being contained in IndiGrid’s Financial Policy and its Amended and Restated Trust Deed) in the first annual reports of IndiGrid (or by other means) to be delivered after such change and, accordingly, will disclose in such reports (or by such other means) the maximum level of leverage permitted. Thereafter and to the extent required by applicable law and regulation, the Investment Manager will disclose to Unitholders on an annual basis any change to the maximum level of leverage permitted as well as any re-hypothecation rights or any guarantee granted under the leveraging arrangement and the total amount of leverage employed by IndiGrid. The Investment Manager will also disclose to Unitholders on an annual basis (whether in the annual reports of IndiGrid or otherwise) the percentage of IndiGrid’s assets which are subject to special arrangements arising from their illiquid nature, any new liquidity management arrangements, the current risk profile of IndiGrid and the risk management systems employed to manage those risks.

61. It may be difficult for the Unitholders to remove the Trustee or the Investment Manager.

Under the InvIT Regulations, the Trustee or the Investment Manager cannot be removed without the approval of Unitholders where the votes cast in favour of the resolution shall not be less than one and a half times the votes cast against such resolution.

62. The registered office of the Investment Manager is not owned by the Investment Manager. Further, the applications filed by some of our Portfolio Assets for the change in their respective registered offices may not be approved in a timely manner or at all.

The registered office of the Investment Manager is located on premises which are not owned by Investment Manager. In the event the use of such premises by the Investment Manager is conducted in a manner that amounts to a breach of the lease arrangements with the owners of such property or the Investment Manager is unable to renew its lease arrangements in a timely manner or at all, the Investment Manager could be subject to adverse consequences. Any such action may adversely affect Investment Manager's business operations, financial condition, cash flows and results of operations.

63. We are governed by the provisions of, amongst others, the InvIT Regulations and the Securities Contracts (Regulation) Act, 1956 ("SCRA"), the implementation and interpretation of which, is evolving. The evolving regulatory framework governing infrastructure investment trusts in India may impact the ability of certain categories of investors to invest in the Units, our business, financial condition, cash flows and results of operations and our ability to make distributions to the Unitholders.

SEBI issued the InvIT Regulations with effect from September 26, 2014 which have been periodically amended and supplemented with additional guidelines, notifications and circulars. Recently, SEBI has issued amendments to the InvIT Regulations dated August 16, 2023 and the Master Circular for Infrastructure Investment Trusts dated July 6, 2023. The SEBI has also amended the pricing for institutional placement of units by InvITs on July 5, 2023. As the regulatory framework governing InvITs in India comprises of a separate set of regulations, interpretation and enforcement by regulators and courts involves uncertainties. Furthermore, regulations and processes with respect to certain aspects of infrastructure investment trusts, including, but not limited to, follow-on public offers and bonus issues, the liabilities of the Unitholders, and the procedure for dissolution and delisting of infrastructure investment trusts have not yet been issued. For example, infrastructure investment trusts are not "companies" or "bodies corporate" within the meaning of the Companies Act, 2013 and various SEBI regulations, including the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

With effect from April 1, 2021, units and other instruments issued by an InvIT have been included in the definition of '*securities*' under section 2(h) of the SCRA and consequently, the implementation and interpretation of these amendments is untested and evolving. Accordingly, the applicability of several regulations (including regulations relating to intermediaries, underwriters, merchant bankers, insider trading, takeovers and fraudulent and unfair trade practices) to the Trust is subject to the interpretation and clarifications issued by regulatory bodies such as SEBI.

Furthermore, SEBI has the right to, with or without prior notice, order inspection of the books of accounts, records and other documents pertaining to our operations, either on its own or, upon receipt of complaint. Upon review of the inspection report, SEBI is entitled to, if it so deems appropriate (in the interest of the securities markets or our investors) (a) require us to surrender our certificate of registration; (b) wind-up our operations; (c) sell our assets; (d) cease our operations or restrict our ability to access the capital markets for a specified period; or (e) direct us to not do such things as SEBI may deem appropriate in the interest of our investors. Any non-compliances or adverse findings during such inspections may have a material adverse effect on our business, result of operations, financial conditions and cash flows.

Further, it is unclear whether certain categories of investors that are currently permitted to invest in equity shares offered by Indian companies, may also invest in the Units in the Issue. In addition, new costs may arise from audit, certification and/or self-assessment standards required to maintain compliance with new and existing InvIT Regulations. Such changes in regulation, interpretation and enforcement may render it economically unviable to continue conducting business as an InvIT or have a material, adverse effect on our business, financial condition, cash flows and results of operations.

As we will be operating in a regulatory framework with uncertainties, it is difficult to forecast how any new laws, regulations or standards or future amendments to the InvIT Regulations, including new interpretations by courts or regulators of existing regulations or from stricter enforcement practices by regulatory authorities of existing regulations will affect infrastructure investment trusts and this could have any consequential impact on the infrastructure sector in India. There can be no assurance that the regulatory system will not change in a way that will impair our ability to comply with the regulations, conduct our business, compete effectively or make distributions.

We may incur increased costs and other burdens relating to compliance with such new regulations, which may also require significant time and other resources, and any failure to comply with these changes may adversely affect our business, results of operations and prospects. Failure to comply with changes in laws, regulations and standards may have a material adverse effect on our business, financial condition, results of operations and prospects.

64. The Trust may be unable to dispose-off its non-performing assets in a timely manner.

Due to the nature of its structure, the Trust may be unable to dispose off its non-performing assets or under-performing assets in a timely manner, or at all. For example, under the InvIT Regulations, any asset acquired by the Trust is required to be held for a period of at least three years from the date of acquisition. As a result, no assurance can be given that the Trust may be able to adapt to market developments, changes in asset quality, or adverse macroeconomic factors in a way comparable to, or competitive with, its competitors (whether InvITs or public/ private companies). Any ability to dispose off non-performing assets may in turn adversely affect the financial condition, business and prospects of the Trust, as well as distributions to the Unitholders.

RISKS RELATED TO INDIA

65. Our results may be adversely affected by future unforeseen events, such as adverse weather conditions, natural disasters, terrorist attacks or threats, future epidemics or pandemics or other catastrophic events.

Unforeseen events, such as adverse epidemics, pandemics, weather conditions, natural disasters, threatened or actual armed conflicts, terrorist attacks, efforts to combat terrorism or other catastrophic events can adversely impact our business. We cannot predict the affect any such events will have on our business, prospects, financial condition, results of operations, cash flows, future operations and performance; however, they could be material.

The World Health Organization declared COVID-19 outbreak a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020. The rapid and diffused spread of COVID-19 and global health concerns relating to this pandemic have had a severe negative impact on, among other things, financial markets, liquidity, economic conditions and trade and could continue to do so or could worsen for an unknown period of time. The spread of COVID-19 led to governments around the world taking various restrictive measures design to limit the spread of the virus, such as the implementation of travel restrictions, mandatory cessations of business operations, mandatory quarantines and work-from-home and other alternative working arrangements, curfews, limitations on social and public gatherings and partial lockdowns of cities or regions. If the outbreak of this virus, or any other similar outbreak, continues for an extended period, occurs again and/or increases in severity, it could have an adverse effect on economic activity in India, and could materially and adversely affect our business, financial condition, cash flows and results of operations.

In case of any future unknow epidemics/ pandemics we will continue to monitor and considered the impact of events arising from such events including with respect to our liquidity and going concern, recoverable values of property, plant and equipment and the net realisable value of other assets and will continue to closely monitor the impact of any unforeseen events may have on our business, financial condition, liquidity and results of operations. In the first wave of COVID 19, our business of transmission of electricity was considered as an essential service. However, the actual impact of COVID-19 or any other future pandemic on our cash flows, results of operations and financial condition may be different than any expected or anticipated impact. Further, our business may be adversely impacted due to factors such as non-availability of staff due to illnesses, delay in receipt of operations and maintenance services, power load variance and non-availability of sufficient funds for future acquisitions.

Similarly, any other future epidemics/ pandemics in India or elsewhere could materially and adversely affect our business, prospects, financial condition, results of operations, cash flows, future operations and performance.

66. We are exposed to risks associated with the power industry in India.

We derive, and expect to continue to derive in the foreseeable future, most of our revenues and operating profits from India. Changes in macroeconomic conditions generally impact the power industry and could negatively impact our business. Accordingly, our business is highly dependent on the state of development of the Indian economy and the macroeconomic environment prevailing in India. Changes in government policies that favor the development of power generation, including large-scale power projects that generally require increased transmission facilities for evacuating the electricity they generate, may have an adverse impact on demand for transmission facilities. Since the use of our transmission systems and our solar projects, our expansion plans and future projects depend or will depend on the operation of power generation projects, the financial health of distribution companies ("**DISCOMs**"), macroeconomic factors that may negatively impact demand for electricity or more generally the development of power generation projects in India or the timely commencement of their operations (such as fuel price fluctuations, volatility and other market conditions that may adversely impact power generation projects), could in turn have a material adverse effect on our growth prospects, business and cash flows. In addition, access to financing may be more expensive or not available on commercially acceptable terms during economic downturns. Any of these factors and other factors beyond our control could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

67. Our performance and growth are dependent on the factors affecting the Indian economy.

Our performance and the growth are dependent on the performance of the Indian economy, which, in turn, depends on various factors. The Indian economy is affected by global economic uncertainties, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture and various other macroeconomic factors as well as regulatory changes.

Conditions outside India, such as a slowdown or recession in the economic growth of other major countries and regions, especially in Europe and China, also have an impact on the growth of the Indian economy, and GoI policy may change in response to such conditions. While recent Indian governments have been focused on encouraging private participation in the industrial sector, any adverse change in policy could result in a further slowdown of the Indian economy. GoI corruption, scandals and protests against certain economic reforms have occurred in the past, and could in the future slow the pace of liberalization and deregulation. The rate of economic liberalization could decrease, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well. In the power industry, there can be no assurance that the GoI's engagement with and outreach to private sector operators, including us, will continue in the future. A significant change in India's economic liberalization and deregulation policies, in particular, those relating to the power industry, could disrupt business and economic conditions in India generally and our business in particular.

Additionally, an increase in trade deficit or a decline in India's foreign exchange reserves could negatively impact interest rates and liquidity, which could adversely impact the Indian economy and our business. Any downturn in the macroeconomic environment in India could materially and adversely affect the business, prospects, financial condition, results of operations and cash flows.

68. We may be exposed to variations in foreign exchange rates.

While our revenues are in Indian rupees, we may also borrow funds from outside India in foreign currencies to finance capital expenditure and working capital requirements. We may also purchase equipment from suppliers located outside India, and payment for such equipment is typically denominated in U.S. dollars. The Indian rupee has depreciated in recent years, and in the future may continue to depreciate, against the U.S. dollar, leading to increases in the Indian rupee cost for us to service and repay foreign currency borrowings. In addition, in the event of disputes under any of our foreign currency borrowings, we may be required by the terms of those borrowings to defend ourselves in foreign courts or arbitration proceedings, which could result in additional costs. Such fluctuations will also affect the amount that holders of the Units will receive in foreign currency upon conversion of any cash distributions or other distributions paid in Indian Rupees by us on the Units, and any proceeds paid in Indian Rupees from any sale of the Units in the secondary trading market. A depreciation of the Indian rupee would also increase the costs of imports and may have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows. In addition, our hedging policy and arrangements with respect to our foreign currency exposure may not, when implemented, fully protect us from foreign exchange rate fluctuations and there can be no assurance that we will be able to renew our current hedging arrangements, which have a five-year term, on satisfactory terms or at all upon expiry.

69. A decline in India's foreign exchange reserves may reduce liquidity and increase interest rates in India, which could have an adverse impact on us.

Flows to foreign exchange reserves can be volatile, and past declines have adversely affected the valuation of the Indian rupee. Any increased intervention by the RBI in the foreign exchange market or other measures by the RBI to control the volatility of the exchange rate may result in a decline in India's foreign exchange reserves, reduced liquidity and higher interest rates in the Indian economy, which could adversely affect our ability to obtain financing on adequate terms or at all, which in turn could affect our business and future financial performance.

70. Social, economic and political conditions and natural disasters could have a negative effect on our business.

Each of the Portfolio Assets is incorporated in India and they derive all of their revenue from India. In addition, all of our assets are located in India. Consequently, our business may be adversely affected by social, economic and political conditions in India and its neighboring countries. Specific risks, such as the following could adversely influence the Indian economy, thereby having a material adverse effect on our business, financial condition, results of operations and cash flows:

- political instability, riots or other forms of civil disturbance or violence;
- war, terrorism, invasion, rebellion or revolution, including wars in countries not neighboring India;
- government interventions, including expropriation or nationalization of assets, increased protectionism and the introduction of tariffs or subsidies;
- changing regulatory regimes;
- underdeveloped industrial and economic infrastructure;
- changes in exchange rates and controls, interest rates, government policies, taxation and economic and political developments;
- changes in policies such as, fiscal and economic policy, industrial policy, direct and indirect taxes and the export-import policy; and
- changes in state-specific regulation and conditions.

Natural disasters such as floods, earthquakes or famines have in the past had a negative impact on the Indian economy. Potential effects may include damage to infrastructure and the loss of business continuity and business information. If our facilities are affected by any of these events, our operations may be significantly interrupted, which could materially adversely affect our business, prospects, financial condition, results of operations and cash flows.

71. Any downgrading of India's debt rating by rating agencies could have a negative impact on our business.

India's sovereign rating is Baa3 with a "stable" outlook by Moody's, BBB- with a "stable" outlook by Fitch and BBB- (Stable) by S&P. India's sovereign rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings by rating agencies may adversely affect our ability to raise additional financing, and the interest rates and other terms at which such additional financing is available. This could materially and adversely affect our ability to obtain financing for capital expenditure, which could in turn materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange resources, which are outside our control.

72. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in the past has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector as well as us.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively impact the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections. The dislocation of the sub-prime mortgage loan market in the United States since September 2008, and the European sovereign debt crisis, caused liquidity and credit concerns and volatility in the global credit and financial markets. In Europe, Brexit, has impacted British and European market. The ongoing Russia-Ukraine conflict and Israel-Hamas conflict have contributed to global economic and political instability. These and other related events have had and could a significant impact on the global credit and financial markets as a whole, and could result in reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets. Any of these factors may have a material adverse effect on our financial condition, cash flows and results of operations.

In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

73. If inflation rises in India, increased costs may result in a decline in profits.

Inflation rates in India have been volatile in recent years, and such volatility may continue. Increasing inflation in India could cause a rise in the price of transportation, wages, raw materials and other expenses. While the escalable component of the tariff is linked to the wholesale price index and consumer price index, there can be no assurance that an increased escalable tariff will sufficiently offset our increased costs due to inflation which could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

74. Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.

The summary financial information included in the sections entitled "*Summary Consolidated Financial Information*", "*Summary Standalone Financial Information*", "*Summary Financial Information of the Sponsor"* and "*Summary Financial Information of the Investment Manager*" on page 41, 53, 65 and 69 are derived from the audited financial statements which are prepared and presented in conformity with IFRS (for the Sponsor) and InvIT Regulations, Ind AS and applicable Indian accounting practices (for IndiGrid and the Investment Manager). Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, such as IFRS, Indian GAAP and U.S. GAAP. Accordingly, the degree to which the financial statements included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Similarly, the summary financial information included in the sections entitled "*Summary Financial Information of the Sponsor*" on page 65 are prepared in accordance with the IFRS. Accordingly, the degree to which such summary financials are included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with the IFRS. Persons not familiar with Indian accounting practices and/or the IFRS should limit their reliance on the financial disclosures presented in this Preliminary Placement Document.

75. Changing laws, rules and regulations and legal uncertainties including adverse application of tax laws and regulations, may adversely affect our business results of operations, cash flows and financial performance.

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. There can be no assurance that the central or the state governments may not implement new regulations or policies which will require us to obtain approvals and licenses from the governments and other regulatory bodies or impose onerous requirements and conditions on our operations. Any new regulations and policies and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially affect our results of operations.

Further, uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future. We cannot predict whether any new tax laws or regulations impacting the industry in which we operate will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business, prospects, financial condition, results of operations and cash flows. Additionally, any decisions in the future by any judicial, governmental, statutory or regulatory authority or any changes in the interpretation of laws by any such authority may have an impact on our business, prospects, financial condition, results of operations and cash flows. For example, SEBI may interpret 'completed and revenue generating project' under the InvIT Regulations in a manner that may have an impact on our business, prospects, financial condition, results of operations and cash flows.

76. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.

The Competition Act, 2002, as amended (the "**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition in India, is considered void and results in the imposition of substantial monetary penalties. Further, any agreement among competitors which, directly or indirectly, involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services by way of allocation of geographical area, type of goods or services or number of customers in the relevant market or, directly or indirectly, results in bid-rigging or collusive bidding, is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise.

The Competition Commission of India ("**CCI**") has extra-territorial powers and can investigate any agreements, abusive conduct or combinations occurring outside India if such agreements, conduct or combinations have an appreciable adverse effect on competition in India. However, there can be no assurance as to the impact of the provisions of the Competition Act on the agreements that the Portfolio Assets have entered into. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements they have entered into. However, since we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or any prohibition or substantial penalties are levied under the Competition Act. This could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

RISKS RELATED TO THE ISSUE AND THE UNITS

77. Investors in the Units may not be able to enforce a judgment of a foreign court against IndiGrid.

IndiGrid is an investment trust organized under the laws of India. Other than Tarun Kataria all of the directors of the Investment Manager and the key managerial personnel named in this Preliminary Placement Document are residents of India. Further, all the assets of IndiGrid are located in India. As a result, it may be difficult for investors to effect service of process upon IndiGrid or to enforce judgments obtained against IndiGrid. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the the United Kingdom of Great Britain and Northern Ireland, Republic of Singapore, United Arab Emirates and Hong Kong and no reciprocity with the United States of America. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the "**Civil Procedure Code**"). The Civil Code only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favor such final judgment is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. Generally, there are considerable delays in the disposal of suits by Indian courts.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were to be brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under the FEMA to repatriate any amount recovered.

78. Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.

In terms of the InvIT Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such units to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of *force majeure*, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant's decision to invest in the Units, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Units. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Units will not decline below the Issue Price. To the extent the market price for the Units declines below the Issue Price after the Issue Closing Date, the Unitholder will be required to purchase Units at a price that will be higher than the actual market price for the Units at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Units after this Issue or cause the trading price of our Units to decline.

79. Investors will not have the option of getting the Allotment of Units in physical form.

In accordance with InvIT Regulations, the Units issued pursuant to this Issue shall be issued only in dematerialized form. Investors will not have the option of getting the allotment of the Units issued pursuant to this Issue in physical form. The Units issued pursuant to this Issue Allotted to the Applicants who do not have demat accounts or who have not specified their demat details, will be kept in abeyance till receipt of the details of the demat account of such Applicants. This further means that they will have no voting rights in respect of the Units.

80. Investors will be subject to market risks until the Units credited to their demat accounts are listed and permitted to trade.

Investors can start trading the Units allotted to them only after they are listed and permitted to trade and may not be able to trade off-market for a period of one year from the date of listing. Since the Units are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Units issued pursuant to this Issue to the date when trading approval is granted for them. Further, there can be no assurance that the Units issued pursuant to this Issue allocated to an Investor will be credited to the Investor's demat account or that trading in the Units issued pursuant to this Issue will commence in a timely manner.

81. The reporting requirements and other obligations of infrastructure investment trusts are still evolving. Accordingly, the level of ongoing disclosures made to and the protection granted to our Unitholders may be more limited than those made to or available to shareholders of a company that has listed its equity shares upon a recognized stock exchange in India.

The InvIT Regulations, along with the guidelines and circulars issued by SEBI from time to time, govern the infrastructure investment trusts in India. However, as compared with the statutory and regulatory framework governing companies that have listed their equity shares on a recognized stock exchanges in India, the regulatory framework applicable to infrastructure investment trusts is still evolving.

Accordingly, the ongoing disclosures made to our Unitholders under the InvIT Regulations may differ from those made to shareholders of a company that has listed its equity shares on a recognized stock exchange in India in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the rights of our Unitholders may not be as extensive as the rights of shareholders of a company that has listed its equity shares on a recognized stock exchange in India, and accordingly, the protection available to our Unitholders may be more limited than those available to such shareholders.

82. IndiGrid may be dissolved, and the proceeds from the dissolution thereof may be less than the amount invested by the Unitholders.

IndiGrid is an irrevocable trust registered under the Registration Act and it may only be extinguished (i) if it is impossible to continue with IndiGrid or if the Trustee, on the advice of the Investment Manager, deems it impracticable to continue with us; (ii) on the written recommendation of the Investment Manager and upon obtaining the prior written consent of such number of the Unitholders as is required under the InvIT Regulations; (iii) if our Units are delisted from the Stock Exchanges; (iv) if SEBI passes a direction for winding up IndiGrid or the delisting of the Units; or (v) in the event we become illegal. Under the Amended and Restated Trust Deed, in the event of dissolution, our net assets, remaining after settlement of all liabilities, and the retention of any reserves which the Trustee deems to be necessary to discharge contingent or unforeseen liabilities, shall be paid to our Unitholders. Should IndiGrid be dissolved, depending on the circumstances and the terms upon which our assets are disposed of, there is no assurance that our Unitholders will recover all or any part of their investment. There may also be uncertainty around the interpretation and implementation of certain provisions in relation to insolvency of a trust under the Insolvency and Bankruptcy Code, 2016 which came into force in 2016.

83. Under Indian law, foreign investors are subject to restrictions that limit their ability to transfer or redeem Units, which may adversely impact the trading price of the Units.

Under foreign exchange regulations currently in force in India, transfers of Units between non-residents and residents are permitted, subject to certain limited exceptions, if they comply with the pricing and reporting requirements specified by RBI. If a transfer of Units is not compliant with such pricing or reporting requirements and does not fall under any of the exceptions specified by RBI, then RBI's prior approval is required.

Additionally, Unitholders who seek to convert Indian rupee proceeds from a sale of Units in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities.

We cannot assure you that any required approval from RBI or any other Governmental agency can be obtained on any particular terms or in a timely manner, or at all.

Our Unitholders will not have the right to redeem or request the redemption of our Units while our Units are listed on the Stock Exchanges. In terms of the InvIT Regulations, an infrastructure investment trust may redeem Units only by way of a buyback or at the time of delisting of Units and may be subject to additional conditions and restrictions under Indian regulations.

84. There is no assurance that our Units will remain listed on the Stock Exchanges. There is a risk pertaining to low or no trading of Units on stock exchanges which directly affects any investor's ability to either sell their units entirely, or sell/exit in a timely manner.

Although it is currently intended that the Units will remain listed on the NSE and the BSE, there is no guarantee of the units of the Trust not being compulsorily delisted due to among other factors, us not continuing to satisfy the listing requirements of the Stock Exchanges. Accordingly, Unitholders will not be able to sell their Units through trading on the Stock Exchanges if the Units are no longer listed on the Stock Exchanges. In accordance with the InvIT Regulations and Chapter 11 of the Master Circular for Infrastructure Investment Trusts dated July 6, 2023 issued by the SEBI in relation to the manner and mechanism of providing exit option to dissenting Unitholders pursuant to Regulation 22(5C) and Regulation 22(7) of the InvIT Regulations, we are required to provide investors with an exit prior to delisting. Further, under the InvIT Regulations, we are required to maintain a minimum of 20 Unitholders at all times after the listing of the Units and certain minimum public holding. Failure to maintain such minimum number of Unitholders or public holding may result in action being taken against us by SEBI and the Stock Exchanges, including the compulsory delisting of our Units. Further, Investors in this Issue are not permitted to sell the Units Allotted to them for a period of one year from the date of Allotment, except on a recognized stock exchange. An active trading market for the Units may not sustain and there may be low or no active market for our Units on the Stock Exchanges, including due to factors beyond our control. In such an event, an investor may not be able to sell their Units, acquired through this Issue or otherwise, in a timely manner or at all.

85. The price of the Units is subject to fluctuation.

The Issue Price of the Units issued pursuant to this Issue will be in accordance with the SEBI Institutional Placement Guidelines and may not necessarily be indicative of the market price of the Units. The Units may trade at prices significantly below the Issue Price. The trading price of the Units will depend on many factors, including:

- the perceived prospects of our business and the energy infrastructure;
- differences between our actual financial and operating results and those expected by investors and analysts;
- changes in analysts' recommendations or projections;
- changes in general economic or market conditions;
- the market value of our assets;
- the perceived attractiveness of the Units against those of other equity or debt securities, including those not in the infrastructure industry;
- the balance of buyers and sellers of the Units;
- the future size and liquidity of the Indian infrastructure investment trust market;
- any future changes to the regulatory system, including the tax system, both generally and specifically in relation to Indian infrastructure investment trusts;
- the ability on our part to implement successfully its investment and growth strategies;
- foreign exchange rates; and
- broad market fluctuations, including weakness of the equity markets and increases in interest rates.

For these reasons, among others, the price of Units may fluctuate. To the extent that we retain operating cash flow for investment purposes, working capital reserves or other purposes, these retained funds, while increasing the value of its underlying assets, may not correspondingly increase the market price of the Units. Any failure on our part to meet market expectations with regard to future earnings and cash distributions may adversely affect the market price for the Units. We cannot assure you that you will be able to resell the Units held by you at or above the Issue Price. There can be no assurance that an active trading market for the Units will be sustained after this Issue, or that the price at which the Units have historically traded will correspond to the price at which the Units will trade in the market subsequent to this Issue. Further, Allottees in the Issue restricted from selling the Units Allotted to them for a period of one year except on the floor of the Stock Exchanges.

In addition, the Units are not capital-protected products and there is no guarantee that Unitholders can regain the amount invested. If IndiGrid is terminated or liquidated, it is possible that investors may lose all or a part of their investment in the Units.

86. Your ability to acquire and sell the Units offered in the Issue is restricted by the distribution, solicitation and transfer restrictions set forth in this Preliminary Placement Document.

No actions have been taken to permit a public offering of the Units offered in the Issue in any jurisdiction except India. As such, our Units have not and will not be registered under the U.S. Securities Act, any state securities laws or the law of any jurisdiction other than India. Further, your ability to acquire Units is restricted by the distribution and solicitation restrictions set forth in this Preliminary Placement Document. You are required to inform yourself about and observe these restrictions. Our representatives, our agents and us will not be obligated to recognize any acquisition, transfer or resale of the Units made other than in compliance with applicable law.

87. The sale or possible sale of a substantial number of Units by the Sponsor in the public market could adversely affect the price of the Units.

Under the InvIT Regulations, the Sponsor and Sponsor Group, collectively, are required to mandatorily hold our Units as follows:

From the beginning of 4th year after the date of listing pursuant to the initial offer and till the end of 5th year from the date of listing pursuant to the initial offer	5% of total Units or ₹ 500 crores, whichever is lower*
From the beginning of 6th year after the date of listing pursuant to the initial offer and till the end of 10th year from the date of listing pursuant to the initial offer	3% of total Units or ₹ 500 crores, whichever is lower*
From the beginning of 11th year after the date of listing pursuant to the initial offer and till the end of 20th year from the date of listing pursuant to the initial offer	2% of total Units or ₹ 500 crores, whichever is lower*
After completion of the 20th year from the date of listing pursuant to the initial offer	1% of total Units or ₹ 500 crores, whichever is lower*

**Provided that the maximum value of units to be held by the Sponsor and Sponsor Group for compliance with the above shall not exceed ₹500 crores or such other value as may be decided by SEBI from time to time wherein such valuation shall be based on the latest available net asset value of the InvIT.*

The above mandatorily holding requirements shall be applicable to the additional Units issued by IndiGrid after the date of notification of the Securities and Exchange Board of India (Infrastructure Investment Trusts) (Second Amendment) Regulations, 2023, subject to compliance with the InvIT Regulations.

The Units have been listed on the Stock Exchange. If the Sponsor, subsequent to the end or lapse of any of the aforesaid lock-in periods or thresholds directly or indirectly sells or is perceived as intending to sell a substantial number of its Units, or if a secondary offering of the Units is undertaken, the market price for the Units could be adversely affected.

TAX RELATED RISKS

88. Tax laws are subject to changes and differing interpretations, which may materially and adversely affect our operations and growth prospects.

The current tax laws and regulations in India provide certain exemptions to interest income earned by business trusts from a special purpose vehicle as a result of which IndiGrid is subject to relatively lower tax liabilities. These exemptions could be modified or removed at any time or clarified in a manner adverse to IndiGrid, which could adversely affect our profitability and financial condition.

Tax laws and regulations are subject to differing interpretations by tax authorities. Differing interpretations of tax and other fiscal laws and regulations may exist within governmental ministries, including tax administrations and appellate authorities, thus creating uncertainty and potential unexpected results. The degree of uncertainty in tax laws and regulations, combined with significant penalties for default and a risk of aggressive action, including by retrospective legislation, by the governmental or tax authorities, may result in tax risks in the jurisdictions in which we operate being significantly higher than expected. For instance, while the Investment Manager intends to take measures to ensure that it is in compliance with all relevant tax laws, there is no assurance that the tax authorities will not take a position that differs from the position taken by us with regard to our tax treatment of various items. Any of the above events may result in a material, adverse effect on our business, financial condition, results of operations and/or prospects. Tax authorities in India may also introduce additional or new regulations applicable to our business which could adversely affect our business and profitability.

89. Changes in legislation or the rules relating to tax regimes could materially and adversely affect our business, prospects and results of operations.

Tax and other levies imposed by the Government and state governments may include: (i) income tax (including withholding tax and tax collection at source); (ii) wealth tax (which was withdrawn with effect from January 1, 2016); (iii) excise duty; (iv) value added tax/central sales tax/ goods and service tax; (v) service tax; (vi) stamp duty; and (vii) other special taxes and surcharges that are introduced on a temporary or permanent basis from time to time. In some cases, these taxes and other levies may be changed from year to year and the Indian courts which interpret tax legislation may apply such interpretations with retroactive effect. Also, the Government in certain situations has the authority to change tax laws retrospectively.

The Ministry of Finance, GoI, has set up a panel to review the IT Act and to draft a new direct tax legislation ("**Panel**"). The Panel has been tasked with drafting appropriate direct tax legislation aimed at (i) aligning India's domestic direct tax regime in line with international best practices; and (ii) ensuring and encouraging compliance. The implications of the report by the Panel, including findings and recommendations in their report and the provisions of the proposed direct tax legislation may have an unfavourable impact on us. Since the Panel and its report, including their recommendations and the draft of the new direct tax legislation has not been released yet, the possible impact on us cannot be determined at this point in time.

The GoI announced the union budget for the Fiscal Year 2024 and the Finance Act, 2023 ("**Finance Act 2023**") was notified with effect from April 1, 2023.

The Finance Act 2023, provides for tax on the unitholders for such portion of distribution received by them that is not covered under section 10(23FC) or 10(23FCA) of the IT Act and that which is not chargeable to tax under section 115UA(2) of the IT Act. Any distribution not covered under the aforementioned clauses will be taxed in the hands of the unitholders as 'income' under section 56(2)(xii) of the IT Act, provided the amount received (including similar distributions in earlier years to the same unitholder or any other unitholder) is in excess of the amount at which units were issued by the InvIT, as reduced by the amount which would have been charged to tax earlier under this provision. The aforementioned amounts received by a unitholder being a specified person covered under section 10(23FE) of the IT Act shall not be subject to taxes upon the fulfilment of certain conditions set out in the IT Act. Further, any such distribution received by a unitholder to the extent not chargeable to tax under section 56(2)(xii) and 115UA(2) and not covered under sections 10(23FC) or 10(23FCA) shall be reduced from the cost of units. We cannot assure you that there will be no adverse impact on the tax incidence to the unitholders pursuant to the Finance Act 2023.

Further, by way of the Finance Act, 2021 the GoI, amongst others, amended the Securities Contracts (Regulation) Act, 1956 ("**SCRA**") to recognise pooled investment vehicles and recognise the units, debentures, other marketable securities and other instruments issued by InvITs as "*securities*". The Finance Act, 2021 exempted the payment of tax deducted at source on dividends paid to InvITs. For further details, please see the sections entitled "*Risk Factors – Investors may be subject to Indian taxes arising out of capital gains on the sale of Units and* on *any dividend or interest component of any returns from the Units*" and "*Risk Factors – We are governed by the provisions of, amongst others, the InvIT Regulations and the Securities Contracts (Regulation) Act, 1956 ("SCRA"), the implementation and interpretation of which, is evolving. The evolving regulatory framework governing infrastructure investment trusts in India may have a material adverse effect on the ability of certain categories of investors to invest in the Units, our business, financial condition cash flows and results of operations and our ability to make distributions to the Unitholders*" on pages 123 and 113.

There have been two key major reforms in Indian tax laws, namely the introduction of the Goods and Services Tax ("**GST**") and provisions relating to general anti-avoidance rules ("**GAAR**"). The GST regime came into effect on July 1, 2017, combining taxes and levies by the Government and State Governments into a unified rate structure. Further, any application of existing law or future amendments may affect our overall tax efficiency and may result in significant additional taxes becoming payable.

Additionally, there is limited clarity on the availability of input tax credit, and any unfavourable orders in this regard may have a material adverse impact on our financial position and cash flows. Further, any application of existing law or future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

The GAAR regime came into effect on April 1, 2017. The GAAR regime is a broad set of provisions which grant powers to India tax authorities to invalidate any arrangement for tax purposes in the event, the main purpose of entering into the transaction by the taxpayer is to obtain a tax benefit. Besides the "tax benefit", the transaction should meet any one of the following specified additional tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in the misuse, or abuse, of the provisions of the IT Act; (iii) lacks commercial substance or is deemed to lack commercial substance as prescribed under the IT Act in whole or in part; and (iv) is entered into, or carried out, by means which are, or in a manner which is, not ordinarily employed for bona fide purposes. Such transactions are declared as impermissible avoidance arrangements. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit, amongst other consequences, including on the interest paid by the SPVs on the debt from the Trust or claim of any benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to the Trust or any Party to the Trust, it may have an adverse effect on the Trust.

The rules notified with respect to GAAR prescribe that these shall not be applicable to FIIs in accordance with the SEBI (Foreign Portfolio Investors) Regulations, 2014 subject to the fulfilment of certain conditions. GAAR may have a material adverse tax impact on the Trust, the Sponsors and the Unitholders.

Further, vide Finance Act, 2022, the applicability of section 94(7) of the IT Act has been extended to the units of a business trust (with effect from Financial Year 2022-23), which provides that where:

(1) any person buys or acquires any securities or unit within a period of three months prior to the record date in relation to the dividend;

(2) such person sells or transfers such securities within three months after such record date or such units within a period of nine months after such record date; and

(3) the dividend or income on such securities or unit received or receivable by such person is exempt,

then, the loss, if any, arising from the sale and purchase of securities and units, to the extent of dividend or income received or receivable on such securities or unit, shall be ignored for computing income chargeable to tax.

Vide Finance Act, 2022, the applicability of section 94(8) of the IT Act (commonly known as bonus stripping) has been extended to the units of business trusts (with effect from Financial Year 2022-23), which provides that where:

(i). any person buys or acquires any units within a period of three months prior to the Record date;

(ii). such person is allotted additional units without any payment on the basis of holding of such units on such record date;

(iii). such person sells or transfers all or any of the units within a period of nine months after the record date, while continuing to hold all or any of the additional units referred in clause (ii) above,

then, the loss, if any, arising from the sale and purchase of all or any of the units shall be ignored for computing income chargeable to tax and notwithstanding anything contained in any other provision of the IT Act, the amount of loss so ignored shall be deemed to be the cost of purchase or acquisition of such additional units referred to in clause (ii) above as are held on the date of such sale or transfer.

The Investment Manager has not determined the impact of such existing or proposed legislations on our business. We may incur increased costs relating to compliance with any new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve, and may impact the viability of our current business or restrict our ability to grow our business in the future.

90. Unitholders may be subject to Indian taxes arising out of capital gains on the sale of the Units and on any dividend or interest component of any returns from the Units or on certain income being distributed by the Trust.

Under current Indian tax laws, units of a business trust held for more than 36 months are considered as long term capital assets. In case of sale of such units through a recognized stock exchange in India and subject to payment of securities transaction tax ("**STT**"), any gain arising in excess of ₹ 0.10 million is subject to long term capital gains tax at concessional rate of 10% (plus applicable surcharge and cess). However, if the said units are sold in any other manner, the same shall be subject to long term capital gains tax at 20% with indexation benefit (plus applicable surcharge and cess).

In case the units are held for less than or up to 36 months, the same shall be regarded as short term capital asset. Any gain arising in case of sale of such units through a recognized stock exchange in India and subject to payment of STT, is subject to short term capital gains tax at concessional rate of 15% (plus applicable surcharge and cess). However, if the said units are sold in any other manner, the same shall be subject to short term capital gains tax at applicable tax rates of the holder (plus applicable surcharge and cess).

The aforesaid taxability in India is subject to tax treaty benefits in the case of a non-resident holder. Further, the applicable taxes on the sale of Units and on any dividend or interest component of any returns from the Unit will also be subject to the category of investor holding or selling the Units.

The Finance Act, 2020 amended the IT Act to abolish the dividend distribution tax regime and shift the incidence of taxation of dividend (declared or distributed on or after April 1, 2020) to shareholder. Under the Finance Act, 2020, a distribution made by a business trust, being in nature dividend income received from a special purpose vehicle, will not be subject to tax in the hands of a unitholder, so long as the special purpose vehicle has not opted to pay corporate tax under the beneficial regime introduced under Section 115BAA of the IT Act. Similarly, a business trust (which includes an infrastructure investment trust) will not be required to withhold tax on any distributions which are in the nature of dividend income received from a special purpose vehicle, so long as such special purpose vehicle has not opted to pay corporate tax under the beneficial regime introduced under Section 115BAA of the IT Act. However, where the special purpose vehicle opts to pay tax under Section 115BAA of the IT Act, dividend income distributed by the business trust would be taxed in the hands of a non-resident unitholder at 20% (plus applicable surcharge and cess) or the applicable treaty rate and at the ordinary rate for a resident unitholder. Further, the business trust would be required to withhold tax on such distributions made from dividend received from the special purpose vehicle. Thus, the taxability of dividends distributed by IndiGrid will depend on the taxation regime opted by the Portfolio Assets. It may also be noted that in terms of Section 194LBA (1) of the IT Act, any distributable income in the nature of interest income and dividend income (where the Initial Portfolio Asset has opted to pay corporate tax under the beneficial regime introduced under Section 115BAA of the IT Act) in the hands of a resident investor is subject to deduction of tax at the rate of 10%. Similarly, in terms of Section 194LBA (2) of the IT Act, any distributable income in the nature of interest income and dividend income (where the SPV has opted to pay corporate tax under the beneficial regime introduced under Section 115BAA of the IT Act) in the hands of a non-resident is subject to deduction of tax at the rate of 5% (plus applicable surcharge and cess) and 10% (plus applicable surcharge and cess) respectively. The ultimate tax liability in the hands of the Unitholder may depend on various factors/ considerations.

Further, the Finance Act, has included a definition of "pooled investment vehicle" which comprises business trusts as defined under the IT Act. The IT Act defines business trusts as trusts registered with SEBI as an InvIT. This amendment has come into effect from April 1, 2021. The Finance Act recognises units, debentures and other instruments issued by infrastructure investment trusts as "securities" under the Securities Contracts (Regulation) Act, 1956. This may have further implications under various regulations issued by SEBI, governing securities, including under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. As announced in previous budgets, the dividend distribution tax applicable on InvITs was abolished and replaced with dividend withholding tax. The Finance Act has also exempted payment of tax deducted at source on dividend paid to InvITs, with effect from April 1, 2020.

The Finance Act, 2023, provides for tax on the unitholders for such portion of distribution received by them that is not covered under section 10(23FC) or 10(23FCA) of the IT Act and that which is not chargeable to tax under section 115UA(2) of the IT Act. Any distribution not covered under the aforementioned clauses shall be taxed in the hands of the unitholders as 'income' under section 56(2)(xii) of the IT Act, provided the amount received (including similar distributions in earlier years to the same unitholder or any other unitholder) is in excess of the amount at which units were issued by the InvIT, as reduced by the amount which would have been charged to tax earlier under this provision. The aforementioned amounts received by a unitholder being a specified person covered under section 10(23FE) of the IT Act shall not be subject to taxes upon the fulfilment of certain conditions set out in the IT Act. Further, any such distribution received by a unitholder to the extent not chargeable to tax under section 56(2)(xii) and 115UA(2) and not covered under sections 10(23FC or, 10(23FCA) shall be reduced from the cost of units.

Furthermore, IndiGrid might not be able to pay or maintain the levels of distributions or ensure that the level of distributions will increase over time, or that future acquisitions will increase IndiGrid's distributable free cash flow to the Unitholders. Any reduction in, or elimination or taxation of, payments of distributions could materially and adversely affect the market price of the Units.

91. Tax laws are subject to changes and differing interpretations, which may adversely affect our operations

Tax laws and regulations are subject to differing interpretations by tax authorities. Differing interpretations of tax and other fiscal laws and regulations may exist within governmental ministries, including tax administrations and appellate authorities, thus creating uncertainty and potential unexpected results. The degree of uncertainty in tax laws and regulations, combined with significant penalties for default and a risk of aggressive action, including by retrospective legislation, by the governmental or tax authorities, may result in tax risks in the jurisdictions in which we operate being significantly higher than expected. For instance, while the Investment Manager intends to take measures to ensure that it is in compliance with all relevant tax laws, there is no assurance that the tax authorities will not take a position that differs from the position taken by us with regard to our tax treatment of various items. These events may result in a material, adverse effect on our business, financial condition, results of operations and prospects. Tax authorities in India may also introduce additional or new regulations applicable to our business which could adversely affect our business and profitability.

92. IndiGrid may be subject to certain tax related risks under the provisions of the IT Act.

Shortfall in the determination of fair market value of the VRET units at the time of transfer of VRET units to IndiGrid, may be subject to taxation in the hands of the acquirer. The units of VRET are proposed to be transferred to the IndiGrid. Under the provisions of section 56(2)(x) of the IT Act, where a purchase of securities is undertaken at a value which is lower than the fair market value of the securities, such shortfall in value is subject to be taxed as income from other sources in the hands of the acquirer. The manner of determination of fair market value as provided under the Income Tax Rules, 1962, includes the value determined based on estimated price it would fetch if sold in the open market on valuation date.

IndiGrid is under an obligation to distribute to the Unitholders, the surplus of the income earned from receipt of cash flows from the interest and dividend received from the SPVs, after the deduction of the various expenses incurred in connection with earning such income and general-purpose expenses. The provisions of the IT Act provide that IndiGrid should disclose the nature of the amount distributed to the Unitholders, i.e., whether from dividends received from the SPVs, interest income earned, etc. However, there is lack of clarity on the method to be adopted by the IndiGrid for the allocation of various expenses incurred towards earning each specific stream of income by the IndiGrid.

93. The Portfolio Assets enjoy certain benefits under Section 80-IA of the IT Act in relation to the Portfolio Assets and any change in these tax benefits applicable to the Trust may adversely affect its results of operations.

Under the provisions of section 80-IA of the IT Act, the Portfolio Assets are eligible for tax holiday for any 10 consecutive assessment years out of 20 years beginning from the year in which the undertaking or enterprise develops and begins to operate any infrastructure facility. As a result of the tax holiday available to the Portfolio Assets, the taxable profits derived by the Portfolio Assets from developing, operating and maintaining any infrastructure facility will not be taxable under the normal provisions of the IT Act during the tax holiday period. Any other taxable income (for example, interest income, profit on sale of mutual funds) from deployment of temporary funds or otherwise would also be taxable under the terms of the IT Act. The Portfolio Assets will only be subject to MAT if the Portfolio Assets have a book profit as required to be computed under section 115JB of the IT Act. Any change in the tax benefits under section 80-IA and/or the provisions of MAT may have an impact on the income tax liability of the Portfolio Assets and may consequently affect the amount available for distribution by the Portfolio Assets to the Trust. Furthermore, if the relevant conditions under section 80-IA of the IT Act are not met and the manner of computation of profits and gains are not as permitted, the Initial Portfolio Assets will not be able to enjoy the benefits of such tax holiday. This could affect the overall tax liabilities of the Portfolio Assets and result in additional taxes becoming payable thereby resulting in a material, adverse effect on our business, financial condition, cash flows and results of operations and consequently may have a material, adverse impact on our distributions.

Benefits under section 80-IA of the IT Act shall not be available to Portfolio Assets in case they have opted to pay corporate tax under the beneficial regime introduced under Section 115BAA of the IT Act. Further, in such case, provisions of MAT shall not be applicable.

94. The income of IndiGrid in relation to which pass through status is not granted under the IT Act may be chargeable to Indian taxes.

Under the provisions of the IT Act, the total income of the Trust other than capital gains, interest and dividend income from the Portfolio Assets would be taxable at the maximum marginal rate ("**MMR**"). MMR is defined under the provisions of the IT Act to mean the rate of income-tax (including surcharge on income-tax, if any) applicable in relation to the highest slab of income. In accordance with Section 115UA of the IT Act, the MMR applicable to the IndiGrid, a separately assessable resident entity, is 30.0% (plus applicable surcharge and cess). However, the tax authorities may view the Trust as a "pass through" entity and the applicable tax rate will be the MMR applicable to its beneficiaries. If any beneficiary is chargeable to MMR at a rate higher than the rate applicable to other beneficiaries, the income of IndiGrid attributable to the share of such beneficiary will be taxed at a higher applicable rate. For example, if any Unitholder is a non-resident, the MMR of 40.0% (plus applicable surcharge and cess) would apply. As there are divergent views, there is a possibility that the matter may be litigated if the tax authorities subscribe to the latter view.

95. The Ministry of Finance, GoI, has constituted a task force to draft new direct tax legislation, the provisions of which may have an unfavourable implication for us.

The Ministry of Finance, GoI, has set up a panel to review the IT Act and to draft a new direct tax legislation ("Panel"). The Panel has been tasked with drafting appropriate direct tax legislation aimed at (i) aligning India's domestic direct tax regime in line with international best practices; and (ii) ensuring and encouraging compliance. The implication of the report by the Panel, including findings and recommendations in their report and the provisions of the proposed direct tax legislation could have an unfavourable implication on us. Since the Panel and its report, including their recommendations and the draft of the new direct tax legislation has not been released yet, the possible impact on us cannot be determined at this point in time. Any new direct tax legislation may materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

GENERAL INFORMATION

IndiGrid

IndiGrid was settled on October 21, 2016, in New Delhi, pursuant to the Original Trust Deed, as an irrevocable trust in accordance with the Indian Trusts Act, 1882. IndiGrid was registered with SEBI on November 28, 2016 under Regulation 3(1) of the InvIT Regulations and has obtained a certificate of registration from SEBI bearing number IN/InvIT/16-17/0005. The principal place of business of IndiGrid is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, Off CST Road, Vidyanagari Marg, Kalina, Santacruz East, Mumbai 400 098.

IndiGrid is an infrastructure investment trust established to hold assets in completed and revenue generating projects and under-construction projects in terms of Regulation 18(5) of the InvIT Regulations. For information on the background of IndiGrid and the description of the Portfolio Assets, please see the sections entitled "*Overview of IndiGrid*", "*Description of Portfolio Assets*" and "*Our Business*" on pages 25, 27 and 211, respectively.

Compliance Officer of IndiGrid

The compliance officer of IndiGrid is Urmil Shah. His contact details are as follows:

Urmil Shah
Unit No. 101
First Floor, Windsor
Village KoleKalyan
Off CST Road
Vidyanagari Marg, Kalina
Santacruz East
Mumbai 400 098
Tel: +91 22 6924 1311
E-mail: complianceofficer@indigrid.com

Bidders can contact the Compliance Officer in case of any pre-Issue or post-Issue related problems such as non-receipt of Confirmation of Allocation Note, non-credit of Allotted Units in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

The Sponsor – Esoteric II Pte. Ltd.

Registered office and correspondence address:

12 Marina View
#11-01, Asia Square Tower 2
Singapore 018961

Contact Person of the Sponsor

The board of directors of the Sponsor serve as the contact persons of the Sponsor. The contact details are as follows:

Board of Directors
12 Marina View
#11-01, Asia Square Tower 2
Singapore 018961
Tel: +65 6922 5800
E-mail: apacfundops@kkr.com

The Investment Manager – IndiGrid Investment Managers Limited

Registered office and correspondence address:

Unit No. 101
First Floor, Windsor
Village KoleKalyan
Off CST Road
Vidyanagari Marg, Kalina
Santacruz East
Mumbai 400 098
Tel: +91 22 6924 1311

E-mail: urmil.shah@indigrid.com
Contact Person: Urmil Shah
Website: www.indigrid.co.in

The Project Manager – IndiGrid Limited

Registered office and correspondence office:

Unit No. 101
First Floor, Windsor
Village KoleKalyan
Off CST Road
Vidyanagari Marg, Kalina
Santacruz East
Mum bai 400 098
Tel: 022 692 1 4300
E-mail: Satish.talmale@indigrid.com
Contact Person: Mr. Satish Talmale

The Trustee – Axis Trustee Services Limited

Registered Office

Axis Trustee Services Limited
Axis House, Bombay Dyeing Mills Compound
Pandurang Budhkar Marg
Worli
Mumbai 400 025

Correspondence Address

Axis Trustee Services Limited
2nd Floor, The Ruby, SW 29
Senapati Bapat Marg
Dadar West
Mum ai 400 028
Tel : +91 22 6230 0605
Email: debenturetrustee@axistrustee.in
Contact Person: Head of Operations
Website: www.axistrustee.com

Other Parties involved in IndiGrid

Auditor

S R B C & CO LLP, Chartered Accountants

Ground Floor
Panchshil Tech Park
Yerwada
Pune 411 006
Tel: + 91 20 6603 6000
Fax: + 91 20 6603 5900
E-mail: srbc.co@srb.in
Firm Registration No: 324982E/E300003

Valuer

Manish Gadia
5, Raja Subodh Mullick Square,
2nd Floor, Room No. C,
Kolkata, West Bengal 700013
Tel: +91 98303 28772
E-mail: manish.gadia@jmpassociates.com
IBBI Registration No.: IBBI/RV/06/2019/11646

Registrar

KFin Technologies Limited
Selenium, Tower B
Plot No- 31 and 32, Financial District,
Nanakramguda,
Hyderabad, Rangareddi 500 032
Telangana, India
Tel.: +91-40-79615205
E-mail: support.indiagrid@kfintech.com
Investor Grievance E-mail: support.indiagrid@kfintech.com
Website: www.kfintech.com
Contact Person: Mr. Hari Prasad
SEBI Registration No.: INR000000221
CIN: L72400TG2017PLC117649

Escrow Collection Bank

YES Bank Limited
1st Floors, Plot No-444
Udyog Vihar, Phase-5,
Gurugram 122 008
Haryana, India
Contact Person: Arvinder Singh
Telephone number: +91 97183 95929
Fax number: 0124-4147193
E-mail: dlggnescrowservices@yesbank.in
Website: www.yesbank.in
SEBI registration number: INBI00000935

Placement Agents

Axis Capital Limited
1st Floor, Axis House
C 2 Wadia International Centre
Pandurang Budhkar Marg— Worli
Mumbai - 400 025
Telephone: +91 22 4325 2183
Fax: +91 22 4325 3000
E-mail: indiagridinvit.qip@axiscap.in
Investor Grievance E-mail: complaints@axiscap.in
Website: www.axiscapital.co.in
Contact Person: Ria Arora/Kunal Malkan
SEBI Registration No.: INM000012029

Ambit Private Limited
Ambit House
449, Senapati Bapat Marg
Lower Parel
Mumbai – 400 013
Tel: +91 22 6623 3000
Fax: +91 22 6623 3100
E-mail: indigrid.qip2023@ambit.co
Investor Grievance E-mail: investorgrievance.acpl@ambit.co
Website: www.ambit.co
Contact Person: Nikhil Bhiwapurkar / Jitendra Adwani
SEBI Registration No.: INM000012379

HSBC Securities and Capital Markets (India) Private Limited
52/60 Mahatma Gandhi Road
Fort, Mumbai - 400 001
Tel: +91 22 6864 1289

E-mail: indiagridtrustqip@hsbc.co.in
Investor Grievance E-mail: investorgrievance@hsbc.co.in
Website: https://www.business.hsbc.co.in/en-gb/regulations/hsbc-securities-and-capital-market
Contact Person: Rishi Tiwari
SEBI registration number: INM000010353

SBI Capital Markets Limited

1501, 15th Floor, A&B Wing, Parinee Crescenzo Building,
G-Block, Bandra Kurla Complex,
Bandra (East), Mumbai- 400 051
Tel: +91 22 4196 8300
E-mail: indigrid_qip_2024@sbicaps.com
Investor Grievance Email: investor.relations@sbicaps.com
Website: www.sbicaps.com
Contact person: Mandeep Singh
SEBI Registration Number: INM000003531

Legal Counsel to IndiGrid as to Indian law

Cyril Amarchand Mangaldas
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai 400 013
Tel: +91 22 2496 4455
Fax: +91 22 2496 3666

Legal Counsel to the Placement Agents as to Indian Law

S&R Associates
One World Center
1403 Tower 2 B
841 Senapati Bapat Marg
Lower Parel
Mumbai 400 013
Tel: +91 22 4302 8000

PARTIES TO INDIGRID

A. The Sponsor and Sponsor Group

Esoteric II Pte. Ltd.

History and Certain Corporate Matters

Esoteric II Pte. Ltd. is the sponsor of IndiGrid. Esoteric was incorporated under the laws of Singapore as a private company limited by shares. Esoteric, by way of its letter dated September 8, 2020, to the Investment Manager, proposed to seek induction as a 'sponsor' of IndiGrid, in accordance with Regulation 22(7) of the InvIT Regulations. Subsequently, the Unitholders of IndiGrid approved the induction of Esoteric. as a 'Sponsor' of IndiGrid pursuant to the annual general meeting of IndiGrid held on September 28, 2020.

Esoteric is a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR. Founded in 1976, KKR is a leading global investment firm with approximately US$528 billion of assets under management as of September 30, 2023, that offers alternative asset management as well as capital markets and insurance solutions. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities. Esoteric II Pte. Ltd. currently owns a stake of around 22.7% in IndiGrid. Separately, Electron IM Pte. Ltd., an affiliate of KKR, currently owns 100% of the issued, paid-up and subscribed capital of the Investment Manager.

The Sponsor's registered office is situated at 12 Marina View, #11-01, Asia Square Tower 2, Singapore 018961.

KKR's Global Infrastructure Strategy

In 2008, KKR established a dedicated infrastructure team and strategy focused on global investment opportunities. KKR has been one of the more active infrastructure investors globally over the past several years, having made approximately 75 infrastructure investments globally and more than US$50 billion in assets under management within infrastructure.

Today, KKR's infrastructure platform has expanded to include approximately 90 dedicated investment professionals across 10 offices covering a broad spectrum of investment opportunities in various infrastructure subsectors, including: midstream energy, renewables, power & utilities, water and wastewater, waste, telecommunications and transportation, among others. KKR continually monitors infrastructure sectors and infrastructure-related investments for emerging trends and may identify and prioritize investments in other sectors as conditions change or cycles evolve.

KKR's Track Record in India

KKR has invested or committed over US$6.7 billion of equity in private equity and infrastructure deals in India since 2010 with over 20 investments made and more than a dozen active portfolio companies today. KKR believes the long-term economic outlook in India is positive given structural reforms, despite recent volatility and continue to see attractive investment opportunities in the country.

India is one of the key markets that KKR's Asia Pacific Infrastructure strategy will actively seek to invest in. KKR believes that population growth is expected to drive significant demand for infrastructure in India over the next 25 years. This, combined with stable macroeconomic indicators, structural reforms, thrust on infrastructure development, and constructive FDI regime will continue to result in high foreign capital inflows and provide the needed impetus to make India a favored infrastructure investment destination.

KKR's private equity current and past investments in India include, but are not limited to:

- Aricent Group (2009)
- Dalmia Cement (2010)
- Coffee Day Resorts Private Limited (2010)
- Magma Fincorp Limited (2011)
- TVS Logistics Services (2012)
- Alliance Tire Group (2013)
- Gland Pharma (2014)
- Emerald Media (2015)

- Max Financial Services (2016)
- Avendus Capital (2016)
- SBI Life Insurance (2016)
- Indus Towers Limited (f.k.a. Bharti Infratel) (2017 & 2008)
- Max Healthcare Institute (2017)
- Re Sustainability (f.k.a. Ramky Enviro Engineers) (2018)
- Lighthouse Learning (f.k.a. Eurokids) (2019)
- Reliance Jio Platforms (2020)
- Reliance Retail (2020)
- JB Chemicals (2020)
- Five-Star Business Finance (2021)
- Lenskart (2021)
- Vini Cosmetics (2021)
- Ness Digital Engineering (2022)
- Advanta Seeds (2022)
- Sriram Insurance (2022)

KKR's Infrastructure investments in India include:

- IndiGrid (2019)
- Virescent Infrastructure (2020)
- Highway Concessions One (2021)
- Hero Future Energies (2022)
- Serentica Renewables (2022)
- LEAP India (2023)

In accordance with the eligibility criteria specified under the InvIT Regulations, the net worth of the Sponsor as on September 30, 2023 was above ₹ 1000 million.

Neither the Sponsor, nor its promoters or directors, have any interest in any business which Competes or is likely to Compete, either directly or indirectly with the activities of the Trust. "**Compete**" or "**Competing**" shall mean engaging in the business of owning, operation and maintenance of (i) inter-state power transmission projects in the Republic of India; and (ii) solar power generation (projects in the Republic of India), other than as set out below:

- Serentica Renewables (Singapore) Private Limited ("**Serentica**") is a joint venture between Greenlake Holdings II Pte. Ltd. ("**Greenlake**") and Serentica Renewables (Mauritius) Private Limited (an affiliate of the Sterlite Group). Greenlake is a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR & Co.Inc. Serentica currently has no operational projects, however, Serentica has secured power purchase agreements totalling to 1.8GW of total project capacity.

- Ardor Holdings II Pte. Ltd., a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR & Co. Inc., has invested in Hero Future Energies, a subsidiary of the Hero Group. Hero Future Energies is one of India's leading renewable platforms with a diversified portfolio of 1.8GW of operating projects (1.2GW of solar and 600MW of wind) spread across 7 states.

Notwithstanding the above, the presence of common overlapping directors between the above "Competing" entities will not be deemed to constitute the Sponsor its directors or its promoters having an "interest" in such "Competing" entities.

Further, neither the members of the Sponsor Group nor any of the promoters or directors of the Sponsor Group: (i) are debarred from accessing the securities market by SEBI; (ii) are promoters, directors or persons in control of any other company or a sponsor, investment manager or trustee of any other infrastructure investment trust or an infrastructure investment trust which is debarred from accessing the capital market under any order or direction made by SEBI; (iii) are identified as a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India including the circular issued by the Reserve Bank of India dated July 1, 2015 bearing reference number RBI/2015-16/100 DBR.No.CID.BC.22/20.16.003/2015-16 and our name does not appear in the list of wilful defaulters published by the Reserve Bank of India; or (iv) are fugitive economic offenders declared under section 12 of the Fugitive Economic Offenders Act, 2018.

Directors of the Sponsor

The board of directors of the Sponsor is entrusted with the overall management of the Sponsor. The board of directors of the Sponsor consists of Madhura Narawane, Tang Jin Rong and Goh Ping Hao.

Sponsor Group

The Sponsor, KKR Ingrid Co-Invest L.P., KKR Ingrid Co-Invest GP Limited, KKR Asia Pacific Infrastructure Investors SCSp, KKR Associates AP Infrastructure SCSp, KKR AP Infrastructure S.a.r.l., KKR Asia Pacific Infrastructure Holdings Pte. Ltd. and Esoteric I Pte. Ltd. form the Sponsor Group.

Other Confirmations

As of the date of this Preliminary Placement Document, the Sponsor and the Sponsor Group are in compliance with the eligibility criteria provided under Regulation 4 of the InvIT Regulations, to the extent applicable to the Sponsor or Sponsor Group, severally, and are "fit and proper persons" as prescribed under the SEBI Intermediaries Regulations.

Madhura Narawane, Tang Jin Rong and Goh Ping Hao are directors of Terra Asia Holdings II Pte. Ltd. (a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR & Co. Inc.), which was the sponsor of VRET and majority shareholder of Virescent Infrastructure Investment Managers Private Limited (which was the investment manager of VRET). VRET was recently voluntarily delisted from the National Stock Exchange, upon its acquisition by India Grid Trust (after which VRET was de-listed and dissolved).

Further, Madhura Narawane, Tang Jin Rong and Goh Ping Hao are directors of Galaxy Investments II Pte. Ltd. (a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR & Co. Inc.), which is the sponsor of the Highways Infrastructure Trust ("**HIT**") and majority shareholder of Highway Concessions One Private Limited, the investment manager of HIT.

Galaxy Investments II Pte. Ltd. (a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR & Co. Inc.) is the sponsor of Highways Infrastructure Trust ("**HIT**") and majority shareholder of Highway Concessions One Private Limited, the investment manager of HIT. We also note that that Terra Asia Holdings II Pte. Ltd. (a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR & Co. Inc.) was the sponsor of VRET and majority shareholder of Virescent Infrastructure Investment Manager Private Limited (which was the investment manager of VRET). VRET was recently voluntarily delisted from the National Stock Exchange, upon its acquisition by India Grid Trust (post which it was de-listed and dissolved).

Unitholding of the Sponsor and the Sponsor Group

For details of the Unitholding of the Sponsor and the Sponsor Group, please see the sections entitled "*Information concerning the Units– Unit holding of IndiGrid as at September 30, 2023*" and "*Information concerning the Units – Unitholders holding more than 5% of the Units of IndiGrid as at September 30, 2023"* on pages 264 and 265, respectively.

B. The Trustee – Axis Trustee Services Limited

History and Certain Corporate Matters

Axis Trustee Services Limited is the Trustee of IndiGrid. The Trustee is a registered intermediary with SEBI under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a debenture trustee having registration number IND000000494 which is valid until suspended or cancelled by SEBI. The Trustee is a wholly-owned subsidiary of Axis Bank Limited.

Background of the Trustee

The Trustee is a wholly-owned subsidiary of Axis Bank Limited. The Trustee's services are aimed at catering to the individual needs of the client and enhancing client satisfaction. As Trustee, it ensures compliance with all statutory requirements and believes in the highest ethical standards and best practices in corporate governance. It aims to provide the best services in the industry with its well trained and professionally qualified staff with a sound legal acumen. The Trustee is involved in varied facets of debenture and bond trusteeships, including, advisory functions and management functions. The Trustee also acts as a security trustee and is involved in providing services in relation to security creation, compliance and holding security on behalf of lenders.

The Trustee is also involved in providing services as (i) a facility agent for complex structured transactions with advice on suitability of the transaction on operational aspects; (ii) an escrow agent; (iii) a trustee to alternative investment funds; (iv) custodian of documents as a safekeeper; (v) a trustee to real estate investment funds etc.; (vi) monitoring agency; and (vii) a family office.

The Trustee is not an Associate of the Sponsor or the Investment Manager. Further, neither the Trustee nor any of the promoters or directors of the Trustee (i) are debarred from accessing the securities market by SEBI; (ii) is a promoter, director or person in control of any other company or a sponsor, investment manager or trustee of any other infrastructure investment trust or an infrastructure investment trust which is debarred from accessing the capital market under any order or direction made by SEBI; (iii) identified as a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India including the circular issued by the Reserve Bank of India dated July 1, 2015 bearing reference number RBI/2015-16/100 DBR.No.CID.BC.22/20.16.003/2015-16 and our name does not appear in the list of wilful defaulters published by the Reserve Bank of India; and/ or (iv) are Fugitive Economic Offenders.

Board of Directors of the Trustee

The Board of Directors of the Trustee is entrusted with the responsibility for the overall management of the Trustee. Please see below the details in relation of the board of directors of the Trustee:

Sr. No.	Name	DIN
1.	Deepa Rath	09163254
2.	Rajesh Kumar Dahiya	07508488
3.	Ganesh Sankaran	07580955

Brief Profiles of the Directors of the Trustee

1. **Deepa Rath** is the Managing Director and Chief Executive Officer of the Trustee.
2. **Rajesh Kumar Dahiya** is a Non-Executive Director on the board of the Trustee.
3. **Ganesh Sankaran** is a Non-Executive Director on the board of the Trustee.

Key Terms of the Amended and Restated Trust Deed

The Trustee has executed the amended and restated trust deed dated January 19, 2021 with the Sponsor, SPTL and the Investment Manager. The Amended and Restated Trust Deed provides for the powers, duties, rights, liabilities of the Trustee, which are in accordance with the Indian Trusts Act, 1882 and the InvIT Regulations. Further, the Amended and Restated Trust Deed also includes certain provisions in relation to the Unitholders, which, among others, include the rights and liabilities of Unitholders. IGT proposes to amend the Amended and Restated Trust Deed and obtain the approval of unitholders for the same in accordance with InvIT Regulations, pursuant to the requirements and the timelines prescribed under the SEBI circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/153 dated September 11, 2023 in relation to Board nomination rights to unitholders of InvITs. The key terms of the Amended and Restated Trust Deed are provided below:

- *Powers of the Trustee*

  The Trustee has been provided with various powers under the Amended and Restated Trust Deed in accordance with the Indian Trusts Act, 1882 and the InvIT Regulations, including but not limited to:

  (i) The Trustee shall, in relation to IndiGrid, have all powers of a person competent to contract, acting as a legal and beneficial owner of such property.

  (ii) The Trustee shall have the power to determine, in accordance with the Investment Management Agreement and the investment objectives, distributions to Unitholders and other rights attached to the Units in compliance with the InvIT Regulations.

  (iii) The Trustee shall oversee voting of Unitholders.

  (iv) The Trustee shall have the power to do the following, which may be delegated to the Investment Manager: (a) cause the offering of Units through the offer documents; (b) issue and allot Units; (c) cause the offer documents to be provided to investors; (d) summon and conduct meetings of the Unitholders in accordance with the relevant InvIT Documents and the InvIT Regulations; and (e) subject to and only in accordance with the terms of the InvIT Documents and the InvIT Regulations, approve a transfer of Units.

  (v) The Trustee shall invest and hold the InvIT Assets in the name of the Trust for the benefit of the Unitholders in accordance with the provisions of the InvIT Regulations, the InvIT Documents, the Amended and Restated Trust Deed and the investment objectives. The Trustee shall be empowered to make investment decisions with respect to the underlying assets or projects of the Trust, including any further investments or divestment, subject to InvIT Regulations, provided such power is delegated to, and exclusively exercised by, the Investment Manager pursuant to the Investment Management Agreement, and in this regard the Trustee is also empowered to: (a) acquire, hold, manage, trade and dispose off shares, stocks, convertibles, debentures, bonds and other equity or equity-related securities of all kinds issued by any special purpose vehicle, infrastructure projects or securities in India, whether in physical or dematerialized form, including power to hypothecate, pledge or create encumbrances of any kind on such securities held by the InvIT in such SPVs or infrastructure projects to be used as collateral security for any borrowings by the InvIT; (b) keep the capital and monies of the InvIT on deposit with banks or other institutions whatsoever; (c) accept contributions (d) collect and receive the profit, interest, dividend and income of the InvIT as and when the same may become due and receivable; (e) invest in securities or in units of mutual funds in accordance with the InvIT Regulations; (f) invest in money market instruments including government securities, treasury bills, certificates of deposit and commercial papers in accordance with applicable law; (g) to give, provide and agree to provide to any special purpose vehicle financial assistance in the form of investment in share capital of any class including ordinary, preference, participating, non-participating, voting, non-voting or other class, and in the form of investment in securities convertible into share capital; and (h) to invest, acquire, purchase, hold, divest, sale, hypothecate, pledge or otherwise transfer land and building and immovable property of any kind including any rights and interest therein;

(vi) Subject to the provisions of the InvIT Regulations, the Trustee, in consultation with the Investment Manager, shall have the power to make such reserves out of the income or capital as the Trustee may deem proper and any decisions of the Trustee whether made in writing or implied from its acts, so far as the applicable law may permit, shall be conclusive and binding on the Unitholders and all persons actually or prospectively interested under the Amended and Restated Trust Deed.

(vii) The Trustee shall have the power to employ and pay at the expense of the Trust, any agent in any jurisdiction whether attorneys, solicitors, brokers, banks, trust companies or other agents whether associated or connected in any way with the Trustee or not, without being responsible for the default of any agent if employed in good faith to transact any business, including without limitation, the power to appoint agents to raise funds, or do any act required to be transacted or done in the execution of the trusts hereof including the receipt and payment of moneys and the execution of documents.

(viii) The Trustee shall, on behalf of the Trust as set out in the Amended and Restated Trust Deed, have the power to appoint the Investment Manager by the execution of an Investment Management Agreement, on behalf of the Trust, to manage the Trust in accordance with the terms and conditions set out in the Amended and Restated Trust Deed, the Investment Management Agreement and applicable law.

(ix) The Trustee shall oversee the activities of the Investment Manager in the interest of the Unitholders and ensure that the investment Manager complies with the InvIT Regulations and applicable law shall obtain a compliance certificate from the Investment Manager on a quarterly basis, in the form prescribed by SEBI, if any.

(x) The Trustee shall, on behalf of the Trust as set out in the Amended and Restated Trust Deed, have the power to appoint the Project Manager by the execution of a project implementation and management agreement, on behalf of the Trust, for the operation and management of the InvIT Assets in accordance with the terms and conditions set out in the Amended and Restated Trust Deed, the Project Implementation and Management Agreement and applicable law.

(xi) The Trustee shall oversee activities of the Project Manager in terms of the InvIT Regulations and the project implementation and management agreement and shall obtain a compliance certificate from the Project Manager on a quarterly basis, in the form prescribed by SEBI, if any.

(xii) The Trustee may, in consultation with the Investment Manager, appoint any custodian in order to provide custodian services, and may permit any property comprised in the Trust to be and remain deposited with a custodian or with any person or persons in India or in any other jurisdiction subject to such deposit being permissible under the applicable law.

(xiii) In the event of any capital gains tax, income tax, stamp duty or other duties, fees or taxes (and any interest or penalty chargeable thereon), whatsoever becoming payable in any jurisdiction in respect of the Trust or any part thereof or in respect of documents issued or executed in pursuance of the

Amended and Restated Trust Deed in any circumstances whatsoever, the Trustee shall have the power and duty to pay all such duties, fees or taxes (and any interest or penalty chargeable thereon) as well as to create any reserves for future potential tax liability out of the Trust or the income thereof, or to the extent of the amount invested in the Units by the Unitholders, as may be permitted under applicable law, and the Trustee may pay such duties, fees or taxes (and any such interest or penalty) notwithstanding that the same shall not be recoverable from the Trustee. For avoidance of doubt, it is clarified that pursuant to this Amended and Restated Trust Deed, no Unitholder will be required to make a contribution as a capital commitment to the Trust (other than the face value for Units already paid).

(xiv) The Trustee shall, subject to the advice of the Investment Manager, have the power to pay the Trust expenses out of the funds held by the Trust.

(xv) The Trustee shall, in discharge of its duties, have the power to take the opinion of legal/tax counsel in any jurisdiction concerning any disputes or differences arising under the Amended and Restated Trust Deed or any matter relating to the Amended and Restated Trust Deed and the fees of such counsel shall be paid out of the funds held in the Trust.

(xvi) The Trustee may, in execution of the Trust or in exercise of any of the powers hereby or by law given to the Trustee sell, rent or buy any property, or borrow property from or carry out any other transaction with the trustees of any other trust or the executors or administrators of any estate notwithstanding that the Trustee is the same Person as those trustees, executors or administrators or any of them and where the Trustee is the same Person as those trustees, executors or administrators, the transaction shall be binding on all Persons then or thereafter interested hereunder though effected and evidenced only by an entry in the books of accounts of the Trustee, provided such power is delegated to, and exclusively exercised by, the Investment Manager pursuant to the Investment Management Agreement. The Trustee shall ensure that no conflicts of interest shall arise whilst conducting such activities .

(xvii) The Trustee shall have the power to: (a) accept any property before the time at which it is transferable or payable; (b) pay or allow any claim on any evidence that it thinks sufficient; (c) accept any security movable or immovable in lieu of any amounts payable to it; (d) alter the dates for payment of any amount payable to it; and (e) compromise, compound, abandon or otherwise settle any claim or thing whatsoever relating to the Trust or the Amended and Restated Trust Deed.

(xviii) The Trustee shall, subject to the advice of the Investment Manager, have the power to borrow funds, including any subordinated equity or other funds from any Person or authority (whether governmental or otherwise, whether Indian or overseas) on such terms and conditions and for such periods and for the purpose of the Trust and subject to approval of the Unitholders in accordance with and as may be required in terms of the InvIT Regulations .

(xix) Subject to the conditions laid down in any offer document or placement memorandum, and the InvIT Regulations, the Trustee may, subject to any advice of the Investment Manager, retain any proceeds received by the Trust from any SPV.

(xx) The Trustee may, make rules to give effect to, and carry out the Investment Objectives. In particular, and without prejudice to the generality of such power, the Trustee may provide, not inconsistent with the provisions of the Amended and Restated Trust Deed and the InvIT Regulations, for all or any of the following matters namely: (a) manner of maintaining of the records and particulars of the Unitholders; (b) norms of investment by the InvIT in accordance with the Investment Objectives of the Trust and in accordance with the powers and authorities of the Trustee, as set out herein; (c) matters relating to entrustment / deposit or handing over of any securities or special purpose vehicles of the Trust to any one or more custodians and the procedure relating to the holding thereof by the custodian; (d) such other administrative, procedural or other matters relating to the administration or management of the affairs of the Trust and which matters are not by the very nature required to be included or provided for in the Amended and Restated Trust Deed or by the management thereof and which matters are not in consistent provisions thereof; (e) procedure for seeking the vote of the Unitholders either by calling a meeting or through postal ballot or otherwise; and (f) procedure for summoning and conducting meetings of Unitholders. The aforementioned power to make rules may be delegated by the Trustee to the Investment Manager, subject to the InvIT Regulations and in terms of the Investment Management Agreement.

(xxi) The Trustee shall cause the Depository to maintain the Depository Register.

(xxii) The Trustee shall advise the Investment Manager in relation to the appointment of valuer, auditors, registrar and transfer agent, merchant bankers, custodian, credit rating agency and any other intermediary or service provider or agent as may be applicable with respect to the activities pertaining to the Trust, in a timely manner, in accordance with the InvIT regulations and applicable law. The Investment Manager shall ensure that the activities of, and the services provided by, any of the intermediaries set out above are as per the provisions of the InvIT Regulations and applicable law.

(xxiii) The Trustee shall review the reports required in terms of InvIT Regulations and applicable law, as submitted by the Investment Manager. In the event such reports are not submitted in a timely manner, the Trustee, after due follow-up, shall intimate the same to SEBI.

(xxiv) The Trustee shall have the power to open one or more bank accounts for the purposes of the InvIT, to deposit and withdraw money and fully operate the same .

(xxv) The Trustee shall have the power to take up with SEBI or with the stock exchange(s) as applicable, any matter which has been approved in any meeting of the Unitholders, if the matter requires such action

(xxvi) Without prejudice to any other provisions of the Amended and Restated Trust Deed, the Trustee shall also have the following powers and authorities:

(a) to institute, conduct, compromise, compound, or abandon any legal proceedings for or on behalf of or in the name of the Trust or the Trustee, and to defend, compound or otherwise deal with any such proceedings against the Trust or Trustee or its officers or concerning the affairs of the Trust, and also to compound and allow time for payment or satisfaction of any equity due and of any claims or demands by or against the Trust and observe and perform in relation to any decisions thereof;

(b) to make and give receipts, releases and other discharges for moneys payable to the Trust and for the claims and demands of the Trust;

(c) to enter into all such negotiations and contracts, and, execute and do all such acts, deeds and things for or on behalf of or in the name of the Trust as the Trustee may consider expedient for or in relation to any of the matters or otherwise for the purposes of the Trust;

(d) to sign, seal, execute, deliver and register according to law all deeds, documents, agreements, and assurances in respect of the Trust;

(e) to negotiate, sign, seal, execute and deliver the InvIT Documents, including but not limited to, any issue agreement, share purchase agreement, services agreement, deed of right of first offer, debenture subscription agreement, escrow agreement, underwriting agreement, loan documentation, draft offer document, offer document, final offer document or any other deed, agreement or document in connection with the Trust or the Units, including any amendments, supplements or modifications thereto;

(f) take into their custody and/or control all the capital, assets, property of the Trust and hold the same in trust for the Unitholders in accordance with the Amended and Restated Trust Deed and the InvIT Regulations; and

(g) generally to exercise all such powers as it may be required to exercise under the InvIT Regulations for the time being in force and do all such matters and things as may promote the Trust or as may be incidental to or consequential upon the discharge of its functions and the exercise and enforcement of all or any of the powers and rights under the Amended and Restated Trust Deed.

(xxvii) Subject to applicable law, the Trustee may at any time, buyback the Units from the Unitholders.

(xxviii) For administrative and operational convenience, the Trustee may, delegate to any committee or any other Person, any powers set out above and the duties set out below, or as available to it under the InvIT Regulations and Applicable Law, including, inter alia, management of the assets and investments of the InvIT vested in it under the Amended and Restated Trust Deed, taking investment decisions, listing and allotment of Units and making distributions in accordance with the InvIT Regulations, provided, however, the Trustee shall remain responsible and liable for any such Persons' acts of commission or omission to the extent that the Trustee itself would have been responsible and liable for such acts except the roles and responsibilities delegated by the Trustee to Investment Manager, Project Manager or any third party expert, or any sub-delegation by the Investment Manager or the Project Manager. Any action taken by such committee or Persons in respect of the InvIT shall be construed as an act done by the Trustee except in case of gross negligence or wilful misconduct or fraud on part of such Person, in which case, such Persons shall indemnify the InvIT and the Unitholders.

- *Duties of the Trustee*

The Trustee shall perform its duties as required under the Amended and Restated Trust Deed in accordance with the Indian Trusts Act, 1882 and the InvIT Regulations, including but not limited to:

(i) The Trustee shall use best endeavors to carry on and conduct the business of the Trust in a proper and efficient manner in the best interest of the Unitholders.

(ii) If so required, the Trustee, on behalf of the Trust, shall, appoint an Investment Manager and/or Project Manager of the Trust (as applicable) in accordance with the InvIT Regulations.

(iii) If so required, in accordance with the InvIT Regulations and the Amended and Restated Trust Deed, the Trustee shall, on behalf of the Trust enter into the Investment Management Agreement with the Investment Manager.

(iv) (a) It is the responsibility of the Trustee to ensure that the Investment Manager complies with reporting and disclosure requirements in accordance with InvIT Regulations and in case of any delay or discrepancy require the Investment Manager to rectify such delay or discrepancy on an urgent basis; (b) The Trustee shall oversee activities of the Investment Manager in the interest of the Unitholders, and ensure that the Investment Manager complies with Regulation 10 of the InvIT Regulations, including in relation to reporting and disclosure requirements prescribed thereunder and obtain a compliance certificate from the Investment Manager on a quarterly basis. In case of any delay by the Investment Manager in reporting or any discrepancy in the reports or disclosures, the Trustee shall require the Investment Manager to rectify the same on an urgent basis; (c) The Trustee shall review the transactions carried out between the Investment Manager and its Associates and where the Investment Manager has advised that there may be a conflict of interest, it shall obtain a certificate from a practicing chartered accountant that such transaction is on arm's length basis; (d) The Trustee shall review the valuation report submitted by the Investment Manager; (e) The Trustee shall require the Investment Manager to set up such systems and procedures and submit such reports to the Trustee, as may be necessary for effective monitoring of the functioning of the Trust; (f) The Trustee shall ensure that the Investment Manager convenes meetings of the Unitholders in accordance with the InvIT Regulations and oversee the voting by Unitholders. The Trustee shall ensure that the Investment Manager convenes meetings of Unitholders not less than one every year and the period between such meetings shall not exceed 15 months.

(v) The Trustee shall provide SEBI and the stock exchange(s), where applicable, such information as may be sought by SEBI or by the stock exchange(s) pertaining to the activity of the InvIT. The Trustee shall comply with intimation requirements under the InvIT Regulations, including in relation to intimating SEBI in case of any discrepancy in the operation of the Trust with the InvIT Regulations and the offer document or placement memorandum. The Trustee shall also immediately inform SEBI in case any act which is detrimental to the interest of the Unitholders is noted.

(vi) The Trustee shall at all times exercise due diligence in carrying out its duties and protecting the interests of the Unitholders.

(vii) In case of change in the Investment Manager, due to removal or otherwise, the Trustee shall, prior to such change obtain approval from the Unitholders in accordance with the InvIT Regulations. The Trustee shall appoint a new investment manager within the time period prescribed under the InvIT Regulations. The previous investment manager shall continue to act as such at the discretion of the Trustee until such time as the new investment manager is appointed. The Trustee shall ensure that the new investment manager shall stand substituted as a party in all the documents to which the earlier Investment Manager was a party. The Trustee shall also ensure that the earlier Investment Manager continues to be liable for all its acts of omissions and commissions for the period during which it served as investment manager notwithstanding its termination.

(viii) In case of change in the Project Manager due to removal or otherwise, the Trustee shall appoint a new project manager within the time period prescribed under the InvIT Regulations. The Trustee may, either suo moto or based on the advice of the concessioning authority(ies) appoint an administrator in connection with an infrastructure project for such terms and on such conditions as it deems fit. The previous project manager shall continue to act as the project manager till such time a new project manager is appointed. All costs and expenses in this regard will be borne by the new project manager. The Trustee shall ensure that the new project manager shall stand substituted as a party in all the documents to which the earlier Project Manager was a party. The Trustee shall also ensure that the earlier Project Manager continues be liable for all its acts of omissions and commissions for the period during which it served as project manager, notwithstanding its termination.

(ix) The Trustee shall oversee activities of the Project Manager other than that relating to the revenue streams from the infrastructure projects in terms of the InvIT Regulations and shall obtain a compliance certificate from the Project Manager on a quarterly basis, in the form prescribed by SEBI, if any.

(x) The Trustee shall ensure that in case of Change in Control of the Project Manager, written consent is obtained from the concessioning authority(ies) in terms of the concession agreement(s), prior to such change, if applicable.

(xi) The Trustee shall ensure that subscription amount is kept in a separate bank account in the name of the InvIT and is only utilised for adjustment against allotment of Units or refund of money to the applicant till the time such Units are listed and the same will be utilized for the objectives of the offering as will be mentioned in the offer document.

(xii) The Trustee shall cause the books of accounts of the InvIT to be in accordance with the Amended and Restated Trust Deed.

(xiii) The Trustee shall ensure that all acts, deeds and things are done for the attainment of the Investment Objectives of the InvIT and in compliance with the InvIT Regulations and to secure the best interests of the Unitholders.

(xiv) The Trustee shall file such reports as may be required by SEBI or any other regulatory authority or as required under the InvIT Regulations with regard to the activities carried on by the InvIT.

(xv) The Trustee shall periodically review the status of the Unitholders' complaints and their redressal undertaken by the Investment Manager.

(xvi) The Trustee and its directors, officers, employees and agents shall at all times maintain the greatest amount of confidentiality as regards the activities and assets of the InvIT and such other matter connected with them and the InvIT generally and shall not disclose any confidential information to any other Person, other than the Investment Manager, or the Project Manager, unless such information is required to be disclosed to some regulatory authority, court or any other Person under any order of court or any law in force in India .

(xvii) The assets and liabilities of the InvIT shall at all times be segregated from the assets and liabilities of the Trustee and the assets and liabilities of other trusts managed by the Trustee. The assets held under the InvIT shall be held for the exclusive benefit of the Unitholders and such assets shall not be subject to the claims of any creditor or any Person claiming under any other fund administered by the Trustee or by the Investment Manager respectively.

(xviii) The Trustee shall ensure that the remuneration of the Valuer is not linked to or based on the value of the asset being valued.

(xix) The Trustee shall obtain the prior approval from the Unitholders in accordance with Regulation 22 of the InvIT Regulations and from SEBI in case of Change in control of the Investment Manager.

(xx) The Trustee and its Associates shall not invest in Units of the Trust.

(xxi) The Trustee shall fulfil its obligations in terms of Regulation 9 of the InvIT Regulations.

(xxii) The Trustee shall ensure that the activity of the InvIT is being operated in accordance with the provisions of the Amended and Restated Trust Deed, the InvIT Regulations, other Applicable Law and the InvIT Documents and in case of any discrepancy, it shall inform SEBI immediately in writing.

(xxiii) The Trustee shall maintain records in accordance with the InvIT Regulations.

(xxiv) (a) The Trustee shall delegate all such powers to the Investment Manager as may be required by the Investment Manager to carry out its obligations under the Investment Management Agreement and under Applicable Law. (b) The Trustee shall delegate all such powers to the Project Manager as may be required by the Project Manager to carry out its obligations under the Project Implementation and Management Agreement and under Applicable Law.

- *Rights of the Trustee*

The Trustee shall have the following rights:

(i) The Trustee may, in the discharge of its duties, act upon any advice obtained in writing from any bankers, accountants, brokers, lawyers, professionals, consultants, or other experts acting as advisers to the Trustee.

(ii) Subject to applicable law, no Unitholder shall be entitled to inspect or examine IndiGrid's premises or properties without the permission of the Trustee, who shall give such permission, if necessary, in consultation with the Investment Manager. Further, no Unitholder shall be entitled to require discovery of any information respecting any detail of IndiGrid's activities or any matter which may relate to the conduct of the business of IndiGrid and which information may, in the opinion of the Trustee and the Investment Manager adversely affect the interest of the Unitholder.

(iii) Without prejudice to any other provisions of the Amended and Restated Trust Deed, but save as otherwise provided for in any offer document of the Trust, the Trustee shall be entitled to reimburse itself and shall be entitled to charge the Trust, and shall be entitled to be indemnified and be kept indemnified by the Trust and from any distributions made by the Trust to the Unitholders, with the expenses, outgoings, taxes, levies, and liabilities (including indemnity obligations of the Trust, if any) as set out in this Amended and Restated Trust Deed.

- *Liabilities of the Trustee*

The liabilities of the Trustee in terms of the Amended and Restated Trust Deed are as follows:

(i) The Trustee shall only be chargeable for such monies, stocks, funds and securities as the Trustee shall have actually received and shall not be liable or responsible for any banker, broker, custodian or other Person in whose hands the same may be deposited or placed, nor for the deficiency or insufficiency in the value of any investments of the Trust nor otherwise for any involuntary loss. Any receipt signed by the Trustee for any monies, stocks, funds, shares, securities, investment or property, paid, delivered or transferred to the Trustee under or by virtue of the Amended and Restated Trust Deed or in exercise of the duties, functions and powers of the Trustee shall effectively discharge the Trustee or the Person or Persons paying, delivering or transferring the same therefrom or from being bound to see to the application thereof, or being answerable for the loss or misapplication thereof provided that the Trustee and such Persons shall have acted in good faith, without negligence and shall have used their best efforts in connection with such dealings and matters.

(ii) The Trustee shall not be under any liability on account of anything done or omitted to be done or suffered by the Trustee in good faith in accordance with, or in pursuance of any request or advice of the Investment Manager.

(iii) The Trustee may accept as sufficient evidence for the value of any investment or for the cost price or sale price thereof or for any other fact within its competence, a certificate by a valuer or a stockbroker or any other professional Person appointed by the Investment Manager for the purpose.

(iv) The Trustee shall not be under any obligation to institute, acknowledge the service of, appear in, prosecute or defend any action, suit, proceedings or claim in respect of the provisions hereof or in respect of the InvIT Assets or any part thereof or any corporate action which in its opinion would or might involve it in expense or liability unless the Investment Manager shall so request in writing and the Trustee is satisfied that the value of the investment is sufficient to provide adequate indemnity against costs, claims, damages, expenses or demands to which it may be put as Trustee as a result thereof. The costs in relation to such action, suit, proceedings or claims (whether undertaken upon request of Investment Manager or otherwise) incurred by the Trustee in connection with or arising out of the InvIT, shall be borne by the Trust.

(v) The Trustee shall not be liable in respect of any action taken or damage suffered by it on reliance upon any notice, resolution, direction, consent, certificate, affidavit, statement, certificate of stock, plan of reorganization or (without being limited in any way by the foregoing) other paper or document believed to be genuine and to have been passed, sealed or signed by appropriate authorities or entities .

(vi) The Trustee shall not be liable to the Unitholders for doing or failing to do any act or thing which by reason of any provision of any present or future law or regulation made pursuant thereto, or of any decree, order or judgment of any court, or by reason of any request announcement or similar action (whether of binding legal effect or not) which may be taken or made by any Person or body acting with or purporting to exercise the authority of any government (which legally or otherwise) it shall be directed or requested to do or perform or to forbear from doing or performing. If for any reason it becomes impossible or impracticable to carry out any of the provisions of these presents the Trustee shall not be under any liability therefore or thereby.

(vii) The Trustee shall not be responsible to any Unitholder for the authenticity of any signature affixed to any document or be in any way liable for any forged or unauthorized signature on or for acting upon or giving effect to any such forged or unauthorized signature. The Trustee shall be entitled but not bound to require that the signature of any Unitholder to any document required to be signed by him under or in connection with these presents shall be verified to the Trustee's reasonable satisfaction .

(viii) Nothing contained in the Amended and Restated Trust Deed shall be construed so as to prevent the Trustee from acting as a trustee of other trusts or alternate investment funds or venture capital funds or private equity funds or real estate investments trusts or infrastructure investment trusts or private trusts or customised fiduciary trusts separate and distinct from the Trust, and retaining for its own use and benefit all remuneration, profits and advantages which it may derive therefrom, as permitted under applicable law.

(ix) If the Trustee is required by the InvIT Regulations or any applicable law to provide information regarding the Trust and/or the Sponsor and/or Unitholders, the Trust's investments and income therefrom and provisions of these presents and complies with such request in good faith, whether or not it was in fact enforceable, the Trustee shall not be liable to the Unitholders or to any other party as a result of such compliance or in connection with such compliance.

(x) The Trustee shall not incur any liability for any act or omission or (as the case may be), failing to do any act or thing which may result in a loss to a Unitholder (by reason of any depletion in the value of the InvIT Assets or otherwise), except in the event that such loss is a direct result of fraud, gross negligence or wilful default on the part of the Trustee or results from a breach by the Trustee of the Amended and Restated Trust Deed, as determined by a court of competent jurisdiction.

(xi) If the Trustee engages any external advisors or experts (in accordance with the Amended and Restated Deed), to discharge its obligations under the Amended and Restated Deed, or undertakes any work which is not covered within the scope of work of the Trustee under the Amended and Restated Deed and such additional work is beyond the obligations of the Trustee under applicable law, the Trustee shall be entitled to recover such costs, charges and expenses which the Trustee may incur in this regard, from the funds of the Trust. Further, it is clarified that, the Trustee will not be required to utilize funds held by the Trustee for any other trust for which Axis Trustee Services Limited is appointed as a trustee, for discharging its obligations as the Trustee under the Amended and Restated Deed.

(xii) It is hereby clarified that the liability of the Trustee shall be limited to the extent of the fee received by it, in all circumstances whatsoever except in case of any gross negligence or wilful misconduct or fraud on the part of the Trustee as settled by a court of competent jurisdiction.

- *Provisions relating to Unitholders*

(i) Notwithstanding anything to the contrary contained in any of the InvIT Documents, the aggregate liability of each Unitholder in the Trust shall be limited to making the Capital Contribution payable by it in respect of the Units subscribed to by it. For the avoidance of doubt, the Unitholders shall not be responsible or liable, directly or indirectly, for acts, omissions or commissions of the Trustee, the Investment Manager, the Sponsor, or any other Person, whether or not such act, omission or commission, has been approved by the Unitholders in accordance with the InvIT Regulations or not.

(ii) Each Unit allotted to the Unitholders shall have one vote for any decisions requiring a vote of Unitholders.

(iii) No Unitholder shall enjoy preferential voting or any other rights over another Unitholder.

(iv) In no event shall the Trustee or the Investment Manager be bound to make payment to any Unitholder, except out of the funds held by it for that purpose under the provisions of the Amended and Restated Trust Deed.

(v) A Unitholder whose name and account details are entered in the Depository Register shall be the only Person entitled to be recognized by the Trustee as having a right, title, interest in or to the Units registered in his name and the Trustee shall recognize such holder as an absolute owner and shall not be bound by any notice to the contrary and shall also not be bound to take notice of or to see to the execution of any trust, express or implied, save as expressly provided or as required by any court of competent jurisdiction to recognize any trust or equity or interest affecting the title of the Units.

(vi) The Unitholders shall not give any directions to the Trustee or the Investment Manager (whether in a meeting of Unitholders or otherwise) if it would require the Trustee or the Investment Manager to do or omit doing anything which may result in: (a) the Trust or the Trustee, in its capacity as the trustee of the Trust or the Investment Manager, in its capacity as the investment manager of the InvIT ceasing to comply with applicable law; (b) interference with the exercise of any discretion expressly conferred on the Trustee by the Amended and Restated Trust Deed or the Investment Manager by the Investment Management Agreement, or the determination of any matter which requires the agreement of the Trustee or the Investment Manager, provided that nothing in the Amended and Restated Trust Deed shall limit the right of the Unitholder to require the due administration of the Trust in accordance with the Amended and Restated Trust Deed.

(vii) The depository register shall (save in case of manifest error) be conclusive evidence of the number of Units held by each depositor and in the event of any discrepancy between the entries of the depository register and any statement issued by the depository, the entries in the depository register shall prevail unless the depositor proves to the satisfaction of the Trustee and the depository that the depository register is incorrect.

(viii) The Unitholders shall have the right to call for certain matters to be subject to their consent, in accordance with the InvIT Regulations and applicable law.

(ix) The Unitholders may, in accordance with the provisions of the InvIT Documents and Applicable Law, transfer any of the Units to an investor where such investor accepts all the rights and obligations of the transferor and the Trustee or site Investment Manager shall give effect to such transfer in accordance with applicable law.

(x) The Trustee shall and shall ensure that the Investment Manager obtains the consent of the Unitholders for the matters prescribed under the InvIT Regulations, in accordance with the provisions of the InvIT Regulations.

Further, in accordance with the Amended and Restated Trust Deed, in addition to the fee, distributions and expense reimbursements described in the Amended and Restated Trust Deed, the InvIT Assets shall be utilized to indemnify and hold harmless the Trustee, the Sponsor and any of their respective officers, directors, shareholders, sponsors, partners, members, employees, advisors and agents ("**Indemnified Parties**") from and against any claims, losses, costs, damages, liabilities and expenses, including legal fee ("**Losses**") suffered or incurred by them by reason of their activities on behalf of IndiGrid, suffered or incurred by the Trustee in relation to any proceedings, unless such Losses resulted from fraud, gross negligence or willful misconduct of the Indemnified Parties as determined by a court of competent jurisdiction.

IndiGrid is subject to dissolution and termination in accordance with and subject to the InvIT Regulations and applicable law, in accordance with the conditions set forth in the Amended and Restated Trust Deed.

Please note that SPTL has been declassified as a sponsor of the Trust under the InvIT Regulations with effect from July 6, 2023 and the Amended and Restated Trust Deed is proposed to be amended to reflect such declassification after the completion of the Issue.

C. The Investment Manager – IndiGrid Investment Managers Limited

History and Certain Corporate Matters

IndiGrid Investment Managers Limited is the investment manager of IndiGrid and is 100% owned by Electron IM Pte. Ltd., an affiliate of KKR.

The Investment Manager is a public company incorporated in India under the Companies Act, 1956, with corporate identity number U28113MH2010PLC308857. The Investment Manager was originally incorporated as MALCO Industries Limited on April 22, 2010 at Chennai. Subsequently, the name of the Investment Manager was changed to Sterlite Infraventures Limited and a new certificate of incorporation was issued on January 23, 2012. Further, the name of the Investment Manager was changed to Sterlite Investment Managers Limited and a new certificate of incorporation was issued by the Registrar of Companies, Chennai, on March 25, 2017. Subsequently, the Investment Manager's registered office was changed from the State of Tamil Nadu to the State of Maharashtra, and a certificate of registration was issued by the Registrar of Companies, Maharashtra at Mumbai on May 3, 2018. The Investment Manager's registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, Off CST Road, Vidyanagari Marg, Kalina, Santacruz East, Mumbai 400 098. Subsequently, the name of the Investment Manager was changed to IndiGrid Investment Managers Limited and a new certificate of incorporation was issued by the Registrar of Companies, Maharashtra at Mumbai on December 14, 2020. The Investment Manager has experience in providing advisory services for bids.

Background of the Investment Manager

IIML has previously been involved in providing advisory services within the Sterlite group for bids, including in relation to power transmission projects across India, mega power plant projects and certain renewable energy projects. IIML has also been acting as the investment manager for IndiGrid since IndiGrid's inception in accordance with the InvIT Regulations.

Additionally, IIML has made representations to various government agencies in relation to the bidding procedure. Such representations were in the form of general advisory and recommendations in relation to improving the existing bidding process implemented by governmental agencies in relation to infrastructure projects and the existing regulatory framework relating to certain infrastructure sectors, specifically aimed at improvement of private participation and investment in such infrastructure sectors.

The Investment Manager has not less than two employees, who have at least five years of experience each, in the field of fund management or advisory services or development in the infrastructure sector, and not less than one employee who has at least five years of experience in the relevant sub-sectors in which IndiGrid proposes to invest, namely power transmission projects and renewable energy in India. Further, not less than half the directors of the Investment Manager are independent, and are not directors or members of the governing board of another infrastructure investment trust registered under the InvIT Regulations. The Investment Manager conducts operations pertaining to IndiGrid from Unit No. 101, First Floor, Windsor, Village KoleKalyan, Off CST Road, Vidyanagari Marg, Kalina, Santacruz East, Mumbai 400 098. The net worth (being, the total of paid-up share capital, securities premium and retained earnings) of the Investment Manager as on September 30, 2023 was ₹ 410.71 million.

Electron IM Pte. Ltd., an affiliate of KKR, currently owns 100% of the paid-up equity share capital of the Investment Manager.

The Investment Manager confirms that it has, and undertakes to ensure that it will at all times maintain, adequate infrastructure, personnel and resources to perform its functions, duties and responsibilities with respect to the management of IndiGrid, in accordance with the InvIT Regulations, the Investment Management Agreement and applicable law.

Neither the Investment Manager nor any of the promoters or directors of the Investment Manager (i) are debarred from accessing the securities market by SEBI; (ii) are promoters, directors or persons in control of any other company or a sponsor, investment manager or trustee of any other infrastructure investment trust or an infrastructure investment trust which is debarred from accessing the capital market under any order or direction made by SEBI; (iii) are in the list of wilful defaulters published by the RBI; or (iv) are Fugitive Economic Offenders.

Long Term Incentive Plans

The Nomination and Remuneration Committee of the Investment Manager formulated the Long Term Incentive Plan 2023 ("**Scheme 2023**"), a Unit-based incentive plan for the employees of the Investment Manager. The Scheme 2023 was approved by the Board of Directors of the Investment Manager on May 12, 2023.

Scheme 2023 shall be operated and administered by the Board of Directors of the Investment Manager. No member of the Nomination and Remuneration Committee shall be personally liable for any action or decision taken in good faith with respect to Scheme 2023. All employees as identified by the Investment Manager from time to time, are eligible to receive grant under Scheme 2023. The Units linked rights granted under Scheme 2023 will vest annually under three equal tranches in April 2024, April 2025, and April 2026, respectively, in the manner provided under Scheme 2023.

Similarly, the Investment Manager had also formulated the Long Term Incentive Plan 2022 and the Long Term Incentive Plan 2021.

Board of Directors of the Investment Manager

The board of directors of the Investment Manager is entrusted with the responsibility for the overall management of the Investment Manager. Please see below the details in relation of the board of directors of the Investment Manager:

Sr. No.	Name	DIN
1.	Tarun Kataria	00710096
2.	Harsh Shah	02496122
3.	Ashok Sethi	01741911
4.	Hardik Bhadrik Shah	06648474
5.	Ami Vinoo Momaya	06836758
6.	Jayashree Vaidhyanathan	07140297

Brief Biography of the Directors of the Investment Manager

Please see below a brief biography of the directors of the Investment Manager:

1. ***Tarun Kataria***

Tarun Kataria was appointed as an Additional Independent Director on the board of the Investment Manager on October 29, 2016 and as an Independent Director on September 22, 2017. He holds a master’s degree in business administration (finance) from the Wharton School of the University of Pennsylvania. In India, he is an independent director of Westlife Foodworld Limited and Global Moats Fund (Mauritius). Previously, he was the CEO of Religare Capital Markets Limited, Managing Director and Head of Global Banking and Markets at HSBC India and Vice Chairman of HSBC Securities and Capital Markets Private Limited.

2. ***Harsh Shah***

Harsh Shah was appointed as the Chief Executive Officer and Whole-time Director on the Board of the Investment Manager with effect from August 30, 2022. He holds a master’s degree in business administration from National University of Singapore and a bachelor’s degree in electrical engineering from Nirma Institute of Technology, Gujarat University. He has extensive experience in infrastructure sector across bidding, financing, operations, mergers and acquisitions and regulatory policy. He is the Chief Executive Officer and Whole-time Director of the Investment Manager and has been instrumental in setting IndiGrid up as India’s first Infrastructure Investment Trust in the power transmission sector. He is also a member of the SEBI Hybrid Securities Advisory Committee. Previously, he worked with Azure Power as a director, Sterlite Power Transmission Limited, Larsen & Toubro Limited, L&T Infrastructure Finance Company Limited and Procter & Gamble International Operations Pte. Limited.

3. ***Ashok Sethi***

Ashok Sethi was appointed as was appointed as an Independent Director on the board of the Investment Manager on October 20, 2020. He holds a bachelor’s degree of technology in Metallurgical Engineering from the Indian Institute of Engineering at Kharagpur. He has over 30 years of experience in the power sector with experience in project execution, operations, commercial, regulatory, advocacy and policy making. He is currently the Non-Executive Chairman of Tata Consulting Engineers Limited. He was also the Chief Operating Officer and Executive Director of The Tata Power Company Limited. He was also the chairman of various subsidiary companies of Tata Power. He was a director on the board of directors of The Tata Power Trading Company limited, Maithon Power Limited, Powerlinks Transmission Limited, Adjaristsqali Georgia LLC and was previously the Chairman of Industrial Energy Limited and Tata Power Community Development Trust. He was awarded CBIP Special Recognition Award 2019 for ‘Excellent Contribution in Power Sector’ Development. He is also a Member of the Institute of Directors.

4. ***Hardik Bhadrik Shah***

Hardik Shah is a non-executive director (but not an Independent Director as defined under the InvIT Regulations) on the board of the Investment Manager since November 30, 2021. He holds a post graduate degree in business management from S.P Jain Institute of Management & Research and is a chartered financial analyst as recognised by the CFA Institute. He is currently a Partner on the Asia Pacific Infrastructure team of KKR.

5. ***Ami Vinoo Momaya***

Ami Momaya is a non-executive director (but not an Independent Director as defined under the InvIT Regulations) on the board of the Investment Manager since January 27, 2022. She is currently a Director with KKR India Advisors Private Limited. She holds a bachelors' degree in commerce from Mumbai University and a post graduate degree from the Narsee Monjee Institute of Management Sciences in Mumbai. She has previously worked with Morgan Stanley.

6. ***Jayashree Vaidhyanathan***

Jayashree Vaidhyanathan has been an independent director on the board of the Investment Manager since November 30, 2021. Ms. Vaidhyanathan holds a masters degree in business administration from Cornell University and a bachelors degree in computer science engineering from University of Madras, India. She is also a Chartered Financial Analyst. Jayashree serves as one of two external directors on the Global Board of PwC and one of the two independent directors on the PwC India Board. She also serves as the Independent Director on the board of UTI Asset Management Company as the Chairwoman of the Digital Transformation Committee and serves on the risk and stakeholder management committees.

In addition, Hardik Shah, non-executive and non-independent director on the board of the Investment Manager, was a director on the board of Virescent Infrastructure Investment Manager Private Limited, which acted as the investment manager of VRET.

VRET was recently voluntarily delisted from the NSE, upon its acquisition by the Trust (post which it was delisted and dissolved).

Brief profiles of the Key Personnel of the Investment Manager

In addition to Harsh Shah, please see below the details of the other key personnel of the Investment Manager.

1. ***Navin Sharma***

Navin Sharma was appointed as the Chief Financial Officer of the Investment Manager on April 19, 2023. He is a Chartered Accountant with around two decades of experience. He has worked at multiple sectors ranging from cybersecurity, telecommunications equipment, electronics products, and cement. Prior to joining IndiGrid, Navin was associated as the Chief Financial Officer of Quick Heal Technologies Limited. He has previously worked with Sterlite Technologies Limited, Raychem RPG and Century Textiles & Industries Limited.

2. ***Meghana Pandit***

Meghana Pandit is the Head - M&A and Investor Relations of the Investment Manager. She holds a bachelor's degree in commerce and a master's degree in management studies from the University of Mumbai and a post graduate diploma in financial analysis from the Institute of Chartered Financial Analysts of India. She has over 15 years of experience in investment banking, covering the infrastructure sector across private equity transactions, mergers and acquisitions, initial public offerings, qualified institutional placements and infrastructure investment trusts, in sub-sectors such as roads, airports, renewable power, thermal power, ports and real estate. She has previously worked in Deloitte Financial Advisory Services India Private Limited and IDFC Bank.

3. ***Kundan Kishore***

Kundan Kishore is the Head – Human Resources of the Investment Manager. He has over 11 years of experience across different human resources functions. He holds a bachelor's degree in engineering (Electrical Engineering) from Rajiv Gandhi Proudyogiki Vishwavidyalaya, Bhopal and has completed the two-year (full-time) post graduate diploma in management (human resource) in 2009 from the International Management Institute. He has previously worked with Bennett, Coleman & Co. Ltd. KEC International Limited and TransUnion CIBIL Limited.

4. ***Urmil Shah***

Urmil Shah has been the Company Secretary and Compliance Officer of the Investment Manager since August 1, 2022. He joined IndiGrid in July 2019. Previously, he served as the Company Secretary of IRB Infrastructure Private Limited (Investment Manager of IRB InvIT Fund) and was designated as the Compliance Officer of IRB InvIT Fund. He holds a bachelor's degree in commerce and is an associate of the Institute of Company Secretaries of India. Prior to joining IRB in 2011, he was part of the secretarial department of Great Offshore Limited.

5. ***Satish Talmale***

Satish Talmale is the Chief Operating Officer of the Investment Manager. He has significant experience in general profit and loss management, business transformation, portfolio risk management, services operations, project management, sales and commercial operations and hands-on operation & maintenance services. He holds a bachelor's degree in mechanical engineering from University of Amravati and has completed the executive program in business management from Indian Institute of Management, Calcutta. He has previously worked with Ingersoll- Rand (India) Limited, GE India Industrial Private Limited, and Larsen & Toubro Limited.

Key Terms of the Investment Management Agreement

The Investment Manager has entered into the Investment Management Agreement, in terms of the InvIT Regulations. IGT proposes to amend the Investment Management Agreement and obtain the approval of unitholders for the same in accordance with InvIT Regulations, pursuant to the requirements and the timelines prescribed under the SEBI circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/153 dated September 11, 2023 in relation to Board nomination rights to unitholders of InvITs The Investment Management Agreement provides for powers, duties, rights and liabilities of the Investment Manager, in accordance with the InvIT Regulations, the key terms of which, are set out below:

A. *Powers of the Investment Manager*

The Investment Manager has been provided with various powers under the Investment Management Agreement in accordance with the InvIT Regulations, including but not limited to:

(i) The Investment Manager shall take all decisions in relation to the management and administration of InvIT Assets (as defined in the Investment Management Agreement) and the investments of IndiGrid as may be incidental or necessary for the advancement or fulfilment of the Investment Objectives (as defined in the Investment Management Agreement) of IndiGrid in accordance with the InvIT Regulations.

(ii) The Investment Manager shall make the investment decisions with respect to the underlying assets or projects of IndiGrid, including any further investments or divestments, subject to InvIT Regulations and in accordance with the offer document, and in this regard is also empowered to do the following acts on behalf of IndiGrid:

(a) acquire, hold, manage, trade and dispose off shares, stocks, convertibles, debentures, bonds and other equity or equity-related securities and other debt or mezzanine securities of all kinds issued by any SPVs, infrastructure projects in India, whether in physical or dematerialised form, including power to hypothecate, pledge or create encumbrances of any kind on such securities held by IndiGrid in such special purpose vehicles, or infrastructure projects to be used as collateral security for any borrowings by IndiGrid;

(b) keep the capital and monies of IndiGrid in deposit with banks or other institutions whatsoever;

(c) accept contributions;

(d) collect and receive the profit, interest, repayment of principal of debt or debt like or equity or equity like mezzanine securities, dividend, return of capital of any type by the special purpose vehicles, or infrastructure projects and income of IndiGrid as and when the same may become due and receivable;

(e) invest in securities or in units of mutual funds in accordance with the InvIT Regulations;

(f) invest in money market instruments including government securities, treasury bills, certificates of deposit and commercial paper in accordance with applicable law;

(g) to give, provide and agree to provide to any special purpose vehicle financial assistance in the form of investment in share capital of any class including ordinary, preference, participating, non-participating, voting, non-voting or other class, and in the form of investment in securities convertible into share capital; and

(h) to invest, acquire, purchase, hold, divest, sale, hypothecate, pledge or otherwise transfer land and building and immovable property of any kind including any rights and interest therein.

(iii) The Investment Manager along with the Trustee has appointed the Project Manager by execution of the project implementation and management agreement.

(iv) The Investment Manager shall oversee activities of the Project Manager with respect to revenue streams from the projects and the project implementation and management agreement and in terms of the InvIT Regulations and applicable law. The Investment Manager shall obtain a compliance certificate from the Project Manager on a quarterly basis, in the form as may be specified by SEBI.

(v) The Trustee hereby authorizes the Investment Manager to do all such other acts, deeds and things as may be incidental or necessary for the advancement or fulfillment of the Investment Objectives of IndiGrid, as set out in the offer document.

(vi) The Investment Manager shall have the power to issue and allot Units. The Investment Manager shall have the power to accept subscriptions to Units of IndiGrid and issue and allot Units to Unitholders or such other persons and undertake all related activities. Further, the Investment Manager shall, subject to and only in accordance with the terms of the InvIT Documents (as defined in the Investment Management Agreement) and applicable law, have the power to transfer the Units.

(vii) The Investment Manager shall cause the depository to maintain a register of Unitholders if required.

(viii) The Investment Manager shall make such reserves out of the income or capital as it may deem proper and any directions of the Trustee in this behalf whether made in writing or implied from their acts shall, so far as the law may permit, be conclusive and binding. Any distribution made from such reserves shall be in accordance with the InvIT Regulations.

(ix) The Investment Manager may cause IndiGrid to borrow, for the purpose of IndiGrid and the InvIT Assets and subject to approval of the Unitholders in accordance with the InvIT Regulations.

(x) The Investment Manager shall have the power to exercise all rights of IndiGrid in the InvIT Assets, including voting rights, rights to appoint directors, whether pursuant to securities held by it. or otherwise. in such manner as it deems to be in the best interest of IndiGrid, and in accordance with the InvIT Regulations and applicable law.

(xi) The Investment Manager may use the services of external advisors and rely on the information provided in the due diligence process of assessing investment proposals as it deems necessary in its sole discretion.

(xii) The Investment Manager shall have the power to employ and pay at the expense of IndiGrid, any agent in any jurisdiction whether attorneys, solicitors, brokers, banks, trust companies or other agents, without being responsible for the default of any agent if employed in good faith to transact any business, including without limitation, the power to appoint agents to raise funds, or do any act required to be transacted or done in the execution of the responsibilities hereof including the receipt and payment of moneys and the execution of documents.

(xiii) The Investment Manager may appoint any custodian in order to provide custodian services, and may permit any property comprised in IndiGrid to be and remain deposited with a custodian or with any person or persons in India or in any other jurisdiction subject to such deposit as authorised by the Trustee and permissible under the applicable law.

(xiv) The Investment Manager, in consultation with the Trustee, shall appoint valuers, auditor, registrar and transfer agent, merchant banker, custodian, credit rating agency or any other intermediary or service provide or agent as may be applicable with respect to the activities pertaining to IndiGrid as per the provisions of the InvIT Regulations and applicable law. The Investment Manager shall appoint an auditor for a period of not more than five consecutive years subject to approval of the Unitholders in terms of the InvIT Regulations.

(xv) In the event of any capital gains tax, income tax, stamp duty or other duties, fees or taxes (and any interest or penalty chargeable thereon) whatsoever becoming payable in any jurisdiction in respect of IndiGrid or any part thereof or in respect of documents issued or executed in pursuance of the Amended and Restated Trust Deed in any circumstances whatsoever, the Investment Manager shall have the power and duty to pay all such duties, fees or taxes (and any interest or penalty chargeable thereon) as well as to create any reserves for future potential tax liability (and any such interest or penalty) out of IndiGrid's income (and any such interest or penalty). For avoidance of doubt, it is clarified that no Unitholder will be required to make a contribution as a capital commitment to IndiGrid (other than the issue price for Units allotted).

(xvi) The Investment Manager shall have the power to pay expenses out of the funds of IndiGrid, or from any or all of the special purpose vehicles or holding companies, in such proportion, as may be determined from time to time.

(xvii) The Investment Manager shall have the power to take the opinion of legal / tax counsel in any jurisdiction concerning any difference arising under the Investment Management Agreement or any matter in any way relating to the Investment Management Agreement or to its duties in connection with the Investment Management Agreement.

(xviii) The Investment Manager shall have the power to: (a) accept any property before the time at which it is transferable or payable; (b) pay or allow any equity or claim on any evidence that it thinks sufficient; (c) accept any composition or any security movable or immovable for any equity or other property; (d) allow any time of payment of any equity; and (e) compromise, compound, abandon, submit to arbitration or otherwise settle any equity account, claim or thing whatsoever relating to IndiGrid or the Investment Management Agreement.

(xix) Subject to the conditions laid down in any offer document, the Investment Manager may retain the invested capital portion of any proceeds received by IndiGrid from any special purpose vehicles.

(xx) The Investment Manager may make rules to give effect to and carry out the Investment Objectives, subject to applicable law. In particular, and without prejudice to the generality of such power, the Investment Manager may provide for all or any of the following matters, namely: (a) manner of maintaining of the records and particulars of Unitholders; (b) norms of investment by IndiGrid in accordance with the investment objectives of IndiGrid and in accordance with the powers and authorities of the Trustee as set out in the Amended and Restated Trust Deed; (c) matters relating to entrustment / deposit or handing over of any securities or special purpose vehicles of IndiGrid to any one or more custodians and the procedure relating to the holding thereof by the custodian; (d) such other administrative, procedural or other matters relating to the administration or management of the affairs of IndiGrid thereof and which matters are not by the very nature required to be included or provided for in the Amended and Restated Trust Deed or by the management thereof and which matters are not in consistent with the provisions thereof; (e) procedure for seeking the vote of the Unitholders either by calling a meeting or through postal ballot or otherwise; and (f) procedure for summoning and conducting of meetings of Unitholders.

(xxi) Subject to applicable law, no Unitholder shall be entitled to inspect or examine IndiGrid's premises or properties without the prior permission of the Investment Manager. Further, no Unitholder shall be entitled to require discovery of any information with respect to any detail of IndiGrid's activities or any matter which may be related to the conduct of the business of IndiGrid and which information may, in the opinion of the Investment Manager adversely affect the interest of other Unitholders.

(xxii) The Investment Manager may buyback the Units from the Unitholders at the end of the Term of IndiGrid or in any other manner in accordance with applicable law, if so directed by the Trustee.

(xxiii) The Investment Manager shall also have the following powers and authorities:

(a) to institute, conduct, compromise, compound, or abandon any legal proceedings for or on behalf of or in the name of IndiGrid, and to defend, compound or otherwise deal with any such proceedings against IndiGrid or the Investment Manager or its officers or concerning the affairs of IndiGrid, and also to compound and allow time for payment or satisfaction of any equity due and of any claims or demands by or against IndiGrid and to refer any differences to arbitration and observe and perform any awards thereof;

(b) to make and give receipts, releases and other discharges for moneys payable to IndiGrid and for the claims and demands of IndiGrid;

(c) to enter into all such negotiations and contracts, and, execute and do all such acts, deeds and things for or on behalf of or in the name of IndiGrid as the Investment Manager may consider expedient for or in relation to any of the matters or otherwise for the purposes of IndiGrid;

(d) to ascertain, appropriate, declare and distribute or reinvest the surplus generally or under IndiGrid, to determine and allocate income, profits and gains and expenses in respect of IndiGrid to and amongst of the Unitholders, to carry forward, reinvest or otherwise deal with any surplus and to transfer such sums as the Investment Manager may, deem fit to one or more reserve funds which may be established by the Investment Manager;

(e) to open one or more bank accounts for the purposes of IndiGrid, to deposit and withdraw money and fully operate the same;

(f) to sign, seal, execute, deliver and register according to law all deeds, documents, and assurances in respect of IndiGrid;

(g) pay out of the income of IndiGrid after deducting all expenses, the income and other distributions in accordance with the InvIT Regulations;

(h) take into their custody and/or control all the capital, assets, property of IndiGrid and hold the same in trust for the Unitholders in accordance with the Amended and Restated Trust Deed and the InvIT Regulations;

(i) generally to exercise all such powers as it may be required to exercise under the InvIT Regulations for the time being in force and do all such matters and things as may promote the investment objectives of IndiGrid or as may be incidental to or consequential upon the discharge of its functions and the exercise and enforcement of all or any of the powers and rights under the Investment Management Agreement and the InvIT Regulations.

B. *Duties of the Investment Manager*

The Investment Manager shall perform its duties as required under the Investment Management Agreement in accordance with the InvIT Regulations, including but not limited to:

(i) The Investment Manager shall coordinate with the Trustee, as may be necessary, with respect to the operations of IndiGrid.

(ii) The Investment Manager shall ensure that the valuation of InvIT Assets is done by the valuer(s) in accordance with Regulation 21 of the InvIT Regulations.

(iii) The Investment Manager shall arrange for adequate insurance coverage for InvIT Assets in accordance with Regulation 10(7) of the InvIT Regulations. The Investment Manager shall ensure that assets held by the SPVs are adequately insured.

(iv) The Investment Manager shall maintain proper books of accounts, documents and records with respect to IndiGrid, in the manner set out in the Amended and Restated Trust Deed, to give a true, fair and accurate account of the investments, expenses, earnings, profits etc. of IndiGrid. The financial year of the InvIT shall begin from the date of the Amended and Restated Trust Deed and shall end on the immediately succeeding March 31 and on the anniversary thereof in each succeeding year unless otherwise determined. The Investment Manager shall ensure that audit of the accounts of IndiGrid by the auditors is undertaken in accordance with the InvIT Regulations and such report is submitted to the designated stock exchange within the time stipulated by the designated stock exchange, if any, and in accordance with the InvIT Regulations.

(v) The Investment Manager shall declare distributions to Unitholders in accordance with Regulation 18 of the InvIT Regulations. Subject to applicable law, such percentage of the net distributable cash flows of the SPVs, shall be distributed to IndiGrid, in terms of the InvIT Regulations. The distributions shall be made within the time period prescribed by the InvIT Regulations.

(vi) The Investment Manager shall convene meetings of the Unitholders in accordance with Regulation 22 of the InvIT Regulations and maintain records pertaining to the meetings in accordance with Regulation 26 of the InvIT Regulations.

(vii) The Investment Manager shall intimate the Trustee prior to any change in control of the Investment Manager to enable the Trustee to seek prior approval from the Unitholders and SEBI in this regard and shall ensure that no such change is given effect to, until the approval of the Unitholders and SEBI has been obtained, or this Agreement is terminated and a new investment manager has been appointed in accordance with the terms hereof, or in compliance with any other requirement under the InvIT Regulations and Applicable Law.

(viii) The Investment Manager will monitor IndiGrid, including monitoring current and projected financial position of IndiGrid and the InvIT Assets including the SPVs. The Investment Manager shall place before its board of directors, a report on the activity and performance of IndiGrid in accordance with the InvIT

Regulations. The Investment Manager shall designate an employee from the team or director as the compliance officer for monitoring of compliance with the InvIT Regulations and any circulars or guidelines issued thereunder and intimating SEBI in case of non-compliance.

(ix) The Investment Manager shall maintain records pertaining to the activity of IndiGrid in terms of Regulation 26 of the InvIT Regulations.

(x) The Investment Manager shall manage IndiGrid in accordance with the InvIT Regulations and the investment objectives of IndiGrid, and shall ensure that the investments made by IndiGrid are in accordance with the investment conditions enumerated in Regulation 18 of the InvIT Regulations and in accordance with the investment objectives.

(xi) The Investment Manager shall review the transactions carried out between the Project Manager and its Associates and where the Project Manager has advised that there may be a conflict of interest, shall obtain confirmation from a practicing chartered accountant that such transaction is on an arm's length basis.

(xii) The Investment Manager shall ensure adequate and timely redressal of all Unitholders' grievances pertaining to the activities of IndiGrid.

(xiii) The Investment Manager shall submit to the Trustee: (a) quarterly reports on the activities of IndiGrid including receipts for all funds received by it and for all payments made, status of compliance with the InvIT Regulations, specifically Regulations 18, 19 and 20 of the InvIT Regulations, performance report, status of development of under-construction projects, within the time period specified under the InvIT Regulations; (b) valuation reports as required under the InvIT Regulations within the time period specified under the InvIT Regulations; (c) proposal to acquire or sell or develop or bid for any asset or project or expand existing completed assets or projects along with rationale for the same; (d) details of any action which requires approval from the Unitholders as may be specified under the InvIT Regulations; (e) details of transactions it enters into with its Associates; (f) details of any other material fact including change in its directors, change in its shareholding, change in control of the Investment Manager, any legal proceedings that may have a significant bearing on the activity of IndiGrid, within seven working days of such action; and (g) such information, document and records as pertaining to the activities of IndiGrid as may be reasonably necessary for the Trustee with respect to its responsibilities under the Amended and Restated Trust Deed or the InvIT Regulations. In the event of failure of the Investment Manager to submit information or reports as specified above in a timely manner and in terms of the InvIT Regulations, the Trustee shall intimate SEBI.

(xiv) The Investment Manager shall be responsible for all activities pertaining to the issue and listing of the Units of IndiGrid in accordance with applicable law including: (a) filing of offer document with SEBI; (b) filing the draft and final offer document with SEBI and the stock exchanges within the prescribed time period; (c) dealing with all matters up to allotment of Units to the Unitholders; (d) obtaining in-principle approval from the designated stock exchange; and (e) dealing with all matters relating to the issue and listing of the Units of IndiGrid as specified under Chapter IV of the InvIT Regulations and any guidelines as may be issued by SEBI in this regard.

(xv) The Investment Manager is also responsible to ensure that the disclosures made in any offer document or offer document contain material, true, correct and adequate disclosures and are in accordance with the InvIT Regulations and applicable law, and such offer document or placement memorandum should not contain any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading

(xvi) In case of occurrence of any event specified in Regulations 17(1)(a) to 17(1)(g) of the InvIT Regulations, the Investment Manager shall apply for delisting of units of IndiGrid to SEBI and the designated stock exchange in accordance with the InvIT Regulations and applicable law.

(xvii) The Investment Manager shall within the time period prescribed under the InvIT Regulations, submit an annual report to all the Unitholders electronically or provide physical copies and to the designated stock exchanges.

(xviii) The Investment Manager shall, in accordance with the requirements of the InvIT Regulations and other Applicable Laws, including any requirements prescribed by SEBI or the stock exchanges from time to time, disclose half-yearly reports within the time period prescribed under the InvIT Regulations to stock exchanges and provide any information having bearing on the operation or performance of IndiGrid as well as price sensitive information and other information that is required in terms of the InvIT Regulations and applicable law.

(xix) Without prejudice to any other provision of the Investment Management Agreement, the Investment Manager will also have the following duties and obligations:

(a) ensure that computation and declaration of net asset value of IndiGrid is based on the valuation done by the valuer in accordance with the InvIT Regulations;

(b) maintain regular interaction with the Trustee on performance of IndiGrid and providing the Trustee with any information in relation to the operations of IndiGrid as maybe required;

(c) conducting its affairs and the affairs of IndiGrid in such a manner that no Unitholder will have any personal liability (except to the extent of their Unitholding, where such Unit is partly paid) with respect to any liability or obligation of IndiGrid;

(d) maintaining relationships with the Unitholders of IndiGrid and keep them updated on investment activities of IndiGrid in accordance with the terms of the InvIT documents;

(e) collecting all dividends, fee, property and other payments due and receivable by IndiGrid declaring distribution to the Unitholders in the manner set out in the Amended and Restated Trust Deed and in terms of the InvIT Regulations;

(f) to ensure that no commission or rebate or any other remuneration, arising out of transaction pertaining to IndiGrid is collected by the Investment Manager or its Associates, other than as specified in the offer document or any other document as may be specified by SEBI for the purpose of the issue of the units of IndiGrid;

(g) to ensure that InvIT assets including the SPVs, have proper legal titles, to the extent applicable and that all the material contracts entered into on behalf of IndiGrid or IndiGrid's assets are legal, valid, binding and enforceable by and on behalf of IndiGrid;

(h) to ensure that the activities of the intermediaries or agents or service providers appointed by it are in accordance with the InvIT Regulations or any guidelines or circulars issued thereunder;

(i) to ensure that any possible conflict of interest involving its role as Investment Manager is reported to the Trustee;

(j) to ensure that disclosures or reporting to Unitholders, SEBI, the Trustee and the designated stock exchange(s) are in accordance with the InvIT Regulations and any other applicable law;

(k) provide SEBI, the designated stock exchanges and Trustee, where applicable, such information as may be sought by SEBI or by the designated stock exchanges or Trustee pertaining to the activity of IndiGrid;

(l) to inform the Trustee in writing about any change in the representations and warranties provided by it under the Investment Management Agreement during the term of the Investment Management Agreement; and

(m) taking any other actions reasonably incidental to any of the foregoing or necessary or convenient in order to fully effect or evidence any action or transaction contemplated under the Investment Management Agreement.

(xx) The Investment Manager shall provide to the Trustee such assistance as may be required by the Trustee in fulfilling its obligation towards IndiGrid under applicable law or as may be required by any regulatory authority with respect to IndiGrid.

C. *Liabilities of the Investment Manager*

The liabilities of the Investment Manager in terms of the Investment Management Agreement are as follows:

(i) The Investment Manager shall not be liable in respect of any action taken or damage suffered by it on reliance upon any notice, resolution, direction, consent, certificate, affidavit, statement, certificate of stock, plan of reorganization or (without being limited in any way by the foregoing) other paper or document believed to be genuine and to have been passed, sealed or signed by appropriate authorities or entities.

(ii) The Investment Manager shall not be liable to the Unitholders for doing or failing to do any act or thing which by reason of any provision of any present or future law or regulation made pursuant thereto, or of any decree, order or judgment of any court, or by reason of any request announcement or similar action (whether of binding legal effect or not) which may be taken or made by any person or body acting with or purporting to exercise the authority of any government (which legally or otherwise) it shall be directed or requested to do or perform or to forbear from doing or performing. If for any reason it becomes impossible or impracticable to carry out any of the provisions of these presents, the Investment Manager shall not be under any liability therefore or thereby. However, it shall duly inform the Trustee and the Unitholders of the same.

(iii) If the Investment Manager is required by the InvIT Regulations or any applicable law to provide information regarding IndiGrid and/or the Unitholders, IndiGrid's investments and income therefrom and provisions of these presents and complies with such request in good faith, whether or not it was in fact enforceable, the Investment Manager shall not be liable to the Unitholder or any of them or to any other party as a result of such compliance or in connection with such compliance.

(iv) The Investment Manager shall not incur any liability for any act or omission which may result in a loss to a Unitholder (by reason of any depletion in the value of InvIT Assets or otherwise), except in the event that such loss is a result of fraud or negligence or default on the part of the Investment Manager, or where the Investment Manager fails to exercise due care in relation to its obligations under the Investment Management Agreement.

(v) If the distributions are not made within the period prescribed in the InvIT Regulations, the Investment Manager shall be liable to pay interest to the Unitholders at the rate as may be prescribed in the InvIT Regulations until the distribution is made and such interest shall not be recovered in the forms of fee or any other form payable to the Investment Manager by IndiGrid.

(vi) The Investment Manager shall be liable to any Unitholder for the authenticity of any signature or of any seal affixed to any endorsement or other document affecting the title to or the transmission of Units or interests in IndiGrid or of any investments of IndiGrid or be in any way liable for any forged or unauthorized signature or seal affixed to such endorsement, transfer or other document or for acting upon or giving effect to any such forged or unauthorized signature or seal. The Investment Manager shall be bound to require that the signature of any Unitholder to any document required to be signed by such Unitholder, under or in connection with these presents shall be verified to its reasonable satisfaction.

Further, in terms of the Investment Management Agreement, in addition to the fees, distributions and expense reimbursements described therein, the Trustee, on behalf of the Trust, shall, from the InvIT Assets, indemnify and hold harmless the Investment Manager and its respective officers, directors, shareholders, partners, members, employees, advisors and agents ("**Indemnified Parties**") from and against any claims, losses, costs, damages, liabilities, suits, proceedings and expenses, including legal fees ("**Losses**") suffered or incurred by them by reason of their activities on behalf of IndiGrid, unless such Losses have resulted from fraud, negligence, dishonest acts of commissions or omissions, reckless disregard of duty or breach of duties under the Investment Management Agreement and applicable law and wilful misconduct of the Indemnified Parties.

The Trustee, its directors, employees, officers ("**Trustee Party**") shall be indemnified by the Investment Manager against any and all direct and actual losses, actions, claims, suits, proceedings, damages, liabilities, costs and expenses including legal fees, incurred or suffered by the Trustee Party in connection with the breach of any of the terms of the Investment Management Agreement by the Investment Manager, or failure in furnishing information required by SEBI or any regulatory authority with respect to IndiGrid, or furnishing wrong information by the Investment Manager under the InvIT Regulations or related to IndiGrid including in any offer documents, or arising out of gross negligence, wilful default or misconduct or fraud on part of the Investment Manager, in carrying out its obligations under the Investment Management Agreement, the Amended and Restated Trust Deed, the other InvIT Documents, any information memorandum / offer documents and applicable law. The Trustee acknowledges and agrees that the aggregate maximum liability of the Investment Manager in each financial year, shall be limited to the aggregate fees payable to the Investment Manager for the immediately preceding two financial years, in accordance with the terms of the Investment Management Agreement, provided that such aggregate maximum liability shall not be applicable in the event such liability of the Investment Manager to indemnify the Trustee Party arises in connection with any gross negligence, wilful default or misconduct or fraud of the Investment Manager.

The Investment Management Agreement is effective from the date of execution of the Investment Management Agreement and shall terminate in accordance with the terms of the Investment Management Agreement. The appointment of the Investment Manager may be terminated by the Trustee or the Unitholders, in accordance with the procedure specified under the InvIT Regulations.

Unitholding of the Investment Manager

For details of the Units held by the Investment Manager, please see the sections entitled "*Information Concerning the Units – Unitholding of the Sponsor, Sponsor Group, Investment Manager, Project Manager and Trustee*" on page 265.

D. The Project Manager – IndiGrid Limited

IndiGrid Limited is the Project Manager for our Portfolio Assets.

Neither IGL nor any of the promoters or directors of IGL (i) is debarred from accessing the securities market by SEBI; (ii) is a promoter, director or person in control of any other company or a sponsor, investment manager or trustee of any other infrastructure investment trust or an infrastructure investment trust which is debarred from accessing the capital market under any order or direction made by SEBI; (iii) is in the list of wilful defaulters published by the RBI; or (iv) are Fugitive Economic Offenders.

Key terms of the Project Implementation and Management Agreement(s)

The Project Manager has entered into the Project Implementation and Management Agreements, in terms of the InvIT Regulations, which provides the scope of services, functions, duties and responsibilities of the Project Manager with respect to the Transmission Assets and the Solar Assets

The functions, duties and responsibilities of the Project Manager in terms of the Project Implementation and Management Agreements and the InvIT Regulations are as follows:

(i) The Project Manager shall undertake implementation, development, maintenance, operation and management of IndiGrid's assets including making arrangements for the appropriate maintenance, either directly or through the appointment and supervision of agents, if any, as may be necessary for discharge of its duties under the terms of the relevant Project Implementation and Management Agreement, the O&M agreements and under the InvIT Regulations.

(ii) The Project Manager shall, either directly or through appropriate agents, oversee the progress of development, approval status and other aspects of InvIT assets that may be under development or, of any new projects, until its completion in accordance with any agreement that may be entered into in this regard, including the supervision of agents appointed for such purpose.

(iii) The Project Manager shall discharge all obligations in respect of achieving timely completion of the infrastructure projects, wherever applicable, implementation, development, maintenance, operation and management of the infrastructure projects in terms of the O&M agreements, the relevant Project Implementation and Management Agreement and the InvIT Regulations.

(iv) The Project Manager shall provide compliance certificate(s), as may be specified, to the Investment Manager and the Trustee in accordance with the InvIT Regulations, in the form prescribed by SEBI, if any.

(v) The Project Manager provide the Investment Manager details of transactions carried out between itself and its associates and disclose any conflict of interest in such cases to the Investment Manager, in accordance with the InvIT Regulations.

(vi) The Project Manager shall intimate the Trustee prior to any change in control of the Project Manager to enable the Trustee to seek approval from the relevant authority in accordance with the TSAs or other project documents pertaining to the InvIT Assets, if applicable.

(vii) The Project Manager shall provide to the Trustee and Investment Manager or to such other person as the Trustee and/or the Investment Manager may direct, all information that may be necessary for each of them to maintain the records of IndiGrid and as may be required for making submissions to SEBI or other Governmental authority, including with respect to relevant approvals, consents and other documents required in relation to the project and the reporting requirements under the InvIT Regulations, in a proper and timely manner, and in the format prescribed (if any), as required by the Trustee and /or Investment Manager.

(viii) The Project Manager shall appoint one of its qualified employees reasonably acceptable to the Investment Manager and the each of the Portfolio Assets with adequate and appropriate experience as a principal contact for the board of directors of each Portfolio Asset, the Trustee and the Investment Manager in relation to the project and the services. The Project Manager shall have full authority, to receive directions and instructions from each Portfolio Asset and to take action in relation to and ensure compliance with such directions and instructions and report back to each Portfolio Asset, Trustee and the Investment Manager.

(ix) The Project Manager shall at all time ensure that the transactions or arrangement entered into by the Project Manager with a related party is on an arm's-length basis.

(x) The Project Manager shall promptly inform the parties to the relevant Project Implementation and Management Agreement in writing of any act, occurrence or event, which the Project Manager believes is reasonably likely to increase the cost of or the time for implementation taken in relation to a project, or materially to change the financial viability, quality or function of the project.

(xi) The Project Manager shall be liable to the other parties to the relevant Project Implementation and Management Agreement for any direct loss or damage attributable to the non-performance or breach of the obligations of the Project Manager including those of the agents, under the relevant Project Implementation and Management Agreement. Except as set out in the relevant Project Implementation and Management Agreement, the Trustee and the Investment Manager acknowledge and agree that the aggregate maximum liability of the Project Manager shall be limited to the fee payable to the Project Manager in accordance with the terms of the relevant Project Implementation and Management Agreement.

(xii) The duties of Project Manager shall also include the following:

(a) supervision of revenue streams from IndiGrid’s assets and providing the necessary certification as may be required under applicable laws and the InvIT Regulations;

(b) execution and completion of activities in relation to InvIT Assets under development in accordance with and in the manner contemplated in any agreement entered into by InvIT Assets;

(c) exercise diligence and vigilance in carrying out its duties and protecting InvIT Assets;

(d) keeping the Investment Manager informed on all matters which have a material bearing on the operations of InvIT Assets;

(e) liaising with governmental authorities in respect of its obligations under the Project Implementation and Management Agreement and the O&M Agreements;

(f) take appropriate measures to mitigate the risks which may be encountered by the InvIT in respect of InvIT Assets;

(g) keep proper records for actions taken in respect of IndiGrid’s assets; and

(h) complying with the instructions of the Investment Manager and the Trustee and the provisions of the InvIT Regulations.

(xiii) In case of any inconsistency or discrepancy between the relevant Project Implementation and Management Agreement and the O&M agreements, the Project Manager shall bring the same into the notice of the Trustee. The Trustee, in consultation with the Investment Manager, shall issue instructions for resolving the inconsistency. The Project Manager shall be bound to comply with the instructions of the Trustee.

(xiv) Notwithstanding anything to the contrary contained in the relevant Project Implementation and Management Agreement, nothing contained in the relevant Project Implementation and Management Agreement shall be construed to limit or restrict the performance of any duties or obligations of the Project Manager, Investment Manager or the Trustee contained in the InvIT Regulations and other applicable law.

(xv) During the term of the relevant Project Implementation and Management Agreement, in the event the representations provided by the Project Manager under the relevant Project Implementation and Management Agreement, become untrue or incorrect or incomplete in any respect, the Project Manager shall, within a reasonable time, inform the Trustee and Investment Manager of such event.

The Project Implementation and Management Agreement shall remain effective, unless terminated by the parties in accordance with the provisions of the Project Implementation and Management Agreement or extended by mutual consent expressed in writing by the Parties to the Project Implementation and Management Agreement, for the period that the Transmission Agreements or Project Agreements (as applicable) are in force.

Operation and Maintenance Contract with JKTPL

JKTPL (the “**Employer**”) and IndiGrid Limited (the “**Contractor**”) entered into an operation and maintenance contract dated September 28, 2020 (the “**O&M Agreement**”). The Employer is engaged in the business of power transmission and has been awarded the 400 kV —hajja— power transmission system project - PPP - 1 (the “**Project**”) by HVPNL, pursuant to the JKTPL TSA.

Services: Pursuant to the O&M Agreement, the Employer has appointed the Operator to operate and maintain the

Transmission System, as defined in the O&M Agreement (the "**Transmission System**") and provide operation and maintenance services in relation to the Project thereto (collectively, the "**O&M Services**"), in accordance with the terms and conditions set out in the O&M Agreement.

Scope of work: The indicative scope of work for the Contractor, as set out in the O&M Agreement is as follows:

(a). ensuring safe, smooth, and uninterrupted flow of electricity on the Transmission System during normal operating conditions;

(b). undertaking operation and maintenance of the Transmission System in an efficient, coordinated and economical manner, in accordance with applicable laws, JKTPL TSA and as specified in the O&M Agreement;

(c). procuring that the availability of the system capacity is not less than the normative availability;

(d). minimising disruption to the Transmission System in the event of accidents or other incidents affecting the safety and use of the Transmission System by providing rapid and effective response and maintaining liaison with emergency services of the state;

(e). carrying out periodic preventive maintenance of the Transmission System in accordance with the maintenance program;

(f). undertaking routine maintenance in accordance with the maintenance program, including prompt repairs of all components of the Transmission System so as to ensure compliance with the maintenance requirements and the specifications and standards, as specified in the O&M Agreement;

(g). undertaking major maintenance such as essential replacement (including line replacement), repairs to structures, repairs to substation parts and other general repairs;

(h). Preventing, with the assistance of the concerned law enforcement agencies, any encroachments on the Transmission System and the Licensed Premises (as defined in the O&M Agreement);

(i). protection of the environment and provision of equipment and materials therefore;

(j). operation and maintenance of all communication, control, and administrative systems necessary for the efficient operation of the Transmission System;

(k). maintaining a public relations unit to interface with and attend to suggestions from the users, government agencies, media and other agencies,

(l). complying with the safety requirements in accordance with the JKTPL TSA;

(m). operation and maintenance of all project assets diligently and efficiently and in accordance with good industry practice;

(n). maintaining reliability in operating the Transmission System;

(o). modify, repair or otherwise make improvements to the Transmission System to ensure normative availability;

(p). taking all Applicable Permits (as defined in the O&M Agreement);

(q). providing all tools, tackles, equipment's, material, labour, skill and all other resources for required for maintaining availability, reliability and meeting emergency conditions;

(r). deploying adequate security staff for ensuring ward and watch of all project assets;

(s). deploying adequate skilled and unskilled workforce, in required shifts, to ensure round the clock maintenance and supervision as per the maintenance manuals / SOP of preventive maintenance and maintenance requirement;

(t). undertaking any additional responsibility or carry out such work as may be specified by the government instrumentality or the authority; and

(u). acting as the project manager for the implementation, development, maintenance, operation and management of the Project, in accordance with the InvIT Regulations.

Obligations of the Contractor: The obligations of the Contractor, as set out in the O&M Agreement is as follows:

(a). execute the Works (as defined in the O&M Agreement) in accordance with the terms and conditions of the O&M Agreement, JKTPL TSA and applicable laws;

(b). make, or cause to be made, necessary applications to the relevant government instrumentalities with such particulars as may be required for obtaining Applicable Permits (as defined in the O&M Agreement), in accordance with the terms and conditions of the O&M Agreement, JKTPL TSA and applicable laws,

(c). procure, as required, the appropriate proprietary rights, licences, agreement and permissions for materials, methods, processes, and systems used or incorporated into the Transmission System;

(d). make reasonable efforts to maintain harmony and good industrial relations among the personnel employed by it or its sub-contractors in connection with the performance of its obligations as specified in the O&M Agreement;

(e). ensure and procure that its sub-contractors comply with all Applicable Permits (as defined in the O&M Agreement) and applicable laws;

(f). not do or omit to any do any act, deed or thing which may in any manner be violative of the provisions of the O&M Agreement and applicable laws;

(g). procure that all equipment and facilities comprising the Transmission System are operated and maintained in accordance with the specifications and standards, maintenance requirements, safety requirements and good industry practice, as specified in the O&M Agreement;

(h). support, cooperate with and facilitate HVPNL, in the implementation and operation of the Project in accordance with the O&M Agreement;

(i). ensure that the personnel engaged by in the performance of its obligations under the O&M Agreement are at all times properly trained for their respective functions;

(j). at its own cost and in accordance with applicable laws, procure the electricity required for consumption at its residential and office premises and for auxiliary consumption of the acquired temporary premises, go-downs and such all the places where ever the condition is applicable;

(k). pay, at all times during the subsistence of the O&M Agreement, all taxes, levies, duties, cesses, and all other statutory charges payable in respect of the O&M Agreement;

(l). pay provident fund, ESI, gratuity & all other statutory charges leviable on deployment of employees and workers;

(m). comply with/provide and/or undertake any other obligation, compliance, reports, certificate or information as requested by India Grid Trust, Axis Trustee Services Limited or the Investment Manager or as required under the InvIT Regulations; and

(n). ensure co-ordination with other contractors for smooth functioning of Project.

Fees and other expenses: The remuneration, cost and expense for the Independent Engineer and Safety Consultant, each as defined in the O&M Agreement, engaged for the Project by the Employer, would be paid by the Employer and the same would be recovered from the Contractor, as specified in the O&M Agreement. Further, the Contract Price (as defined in the O&M Agreement), shall be payable by the Employer to the Contractor as specified in the O&M Agreement.

Indemnity:

(a). The Contractor will indemnify, defend, save and hold harmless the Employer and its officers, servants, agents, Employer owned and/or controlled entities / enterprises, against any and all suits, proceedings, actions, demands and claims from third parties for any loss, damage, cost and expense of whatever kind and nature, whether arising out of any breach by the Contractor of any of its obligations under O&M Agreement or any related agreement or on account of any defect or deficiency in the provision of services by the Contractor to any user or from any negligence of the Contractor under contract or tort or on any other ground whatsoever, except to the extent that any such suits, proceedings, actions, demands and dams have arisen due to any negligent act or omission, or breach or default of the O&M Agreement on the part of the Employer.

(b). The Employer shall indemnify, defend, save and hold harmless the Contractor against any and all suits, proceedings, actions, demands and claims from third parties for any loss, damage, cost and expertise of whatever kind and nature arising out of defect in title and/or the rights of the Employer in the Project and site comprised in the Project, and/or (1) breath by the Employer of any of its obligations under the O&M Agreement or any related agreement, which materially and adversely affect the performance by the Contractor of its obligations under the O&M Agreement, save and except that where any such claim, suit, proceeding, action, and/or demand has arisen due to a negligent act or omission, or breach of any of its obligations under any provision of the O&M Agreement or any related agreement and/or breach of its statutory duty on the part of the Contractor, its subsidiaries, affiliates, contractors, servants or agents, the same shall be the liability of the Contractor.

(c). The Contractor shall indemnify the Employer specifically for loss of Unitary Charges (as defined in the O&M Agreement)/other revenue payable to the Employer or any penalty payable by the Employer to HVPNL under the JKTPL TSA due to a default under the JKTPL TSA, to the extent that such default can be dearly identified to failure of the respective assets under control of the related O&M Contractor under the O&M Agreement.

Termination

(a). As per the O&M Agreement, it is agreed between the Contractor and the Employer that in the event any party commits material breach of any of the terms and conditions contained in the O&M Agreement, and fails to remedy such breach within a period of 30 days from the date of receiving a notice from the other party in that case the other party shall have the right to terminate the O&M Agreement by giving 30 days notice to the party in breach.

(b). Any compensation payable to the Contractor in case of termination, for reasons not attributable to Contractor's default to perform its obligations under the O&M Agreement, shall be mutually decided among the parties at the time of termination;

(c). The O&M Agreement shall terminate automatically upon termination of the JKTPL TSA. If the termination of the JKTPL TSA is attributable directly or indirectly to Contractor's failure to perform its obligations under the O&M Agreement or any force majeure event the Contractor shall not be entitled to any termination compensation or breakage costs

(d). The Contractor agrees that upon the termination of the JKTPL TSA, directly or indirectly attributable to the Contractor's failure to perform, the Contractor shall be responsible for and shall indemnify the Employer for

(i) the amount that HVPNL calls upon the issuing bank to pay under the Performance Security (as defined in the O&M Agreement) and the costs of procuring the Performance Security

(ii) the amount required to discharge the Employer's debt due to the Senior Lenders (as defined in the O&M Agreement), including the principal, Interest, finance charges, penal interest and any other fees, costs, or charges payable to the Senior Lenders; and

(iii) any amount payable by the Employer to HVPNL for any defects or deficiencies in the Works.

Work Order with PrKTCL

PrKTCL (the "**Owner**") issued a work order to IndiGrid Limited (the "**Service Provider**") dated March 2, 2021 (the "**Work Order**"). The Work Order was subsequently amended on May 14, 2021 to set out the price for the Services (as defined in the Work Order) to be performed under the Work Order.

Services: The Work Order has been issued to the Service Provider for providing services in connection with the operations of a project, comprising the inter-state transmission system for evacuation of power from the Parbati-II HEP implemented by NHPC Limited and Koldam HEP implemented by NTPC Limited (the "**Project**"), in accordance with the terms and conditions set out in the Work Order.

Scope of work: The scope of work for the Service Provider includes, amongst others, (i) routine and preventive maintenance, (ii) corrective maintenance, (iii) emergency response, (iv) certain project manager responsibilities such as implementation, development, maintenance, operation and management of the Project, pursuant to and in accordance with the InvIT Regulations, (v) document management system, (vi) compliance management, (vii) operational excellence, (viii) regulatory support, (ix) IT systems support, and further as specified in the Work Order (the "**Services**").

Obligations of the Service Provider: The obligations of the Service Provider, as set out in the Work Order is as follows:

(a). Service Provider warrants that all Services shall be in accordance with currently accepted professional engineering standards and practices for services of a similar nature. Any nonconformances to the currently accepted prudent practices shall be immediately informed to Owner. In case of major non-conformance materially impacting safety and quality of equipment and personnel, same has to be communicated at the earliest but not later than 2 hours from the time of such finding.

(b). Services shall be complete, accurate and correct in all the respect. If during the discharge of the Services, any of the information or the report review supplied by the Service Provider is found to be incomplete and incorrect, it will be completed or, as the case may be, corrected by Service Provider without any additional chaise to the Owner.

If any Services, prove to be deficient in that they fail to meet the requirement of codes and/or standards set forth in the specifications, or any engineering information proves to be incomplete or incorrect, then Service Provider shall correct the said deficient services as necessary to remedy the defect without any additional charge to the Owner. The Service Provider shall furnish the Owner such information relating to the Services from time to time and upon reasonable request. In case the change in scope is of major and fundamental nature, proper compensation shall be mutually agreed upon based on re- execution or modification work. However, minor changes shall be accommodated by the Service Provider without change in price.

(c). In rendering the Services, the Service Provider undertakes that:

(i). It shall comply with Owner's internal policies including Owner's code of conduct/ethics and insider trading code of the Owner (as may be delivered by Owner to the Service Provider or as published on its website) and ensure that it renders its obligations to the satisfaction of Owner;
(ii). It holds all valid licenses, registration and permissions that arc required under the applicable laws for carrying out the Services;
(iii). It will comply with applicable Union, State and local laws, ordinance, regulations in performing its obligations including procurement of licenses, permissions, certificates, etc, and payment of taxes, if required;
(iv). It will provide regular updates at such intervals as may be specified by Owner with respect to Services provided in terms of the Work Order;
(v). It shall ensure that the Services rendered to Owner arc of high order, quality and standard, performance which must be commensurate with the expectations of Owner;
(vi). It shall not use the name and/or logo of Owner in any manner cither for credit arrangements or otherwise. It is agreed that Owner will not in any way be responsible for the debts, liabilities or obligations of the Service Provider and/or his employees or agents or services.
(vii). It shall render the Services in a lawful manner;
(viii). It shall perform and observe all rules and regulations of Owner as may be applicable;
(ix). It shall not do or cause to be done anything, which is prejudicial to the interest of Owner or whereby the business or reputation of Owner may be injured or damaged;
(x). It shall not assign the Work Order and or any of its obligations under the Work Order to any third party without the prior written consent of Owner;
(xi). It shall not enter into any agreement with any contractor or sub-contractor in connection with the Services to be provided under the terms of the Work Order without the prior written consent of Owner; and
(xii). It shall in a proficient and diligent manner perform all the Services.

Indemnity: As per the Work Order, the Service Provider has agreed to indemnify the Owner and its directors, executives, employees and agents and to keep them fully indemnified against all losses, damages, harm or injury which Owner/or and its directors, executives, employees and agents may suffer due to or in connection with:

(i). reasons or acts of omission or commission attributable to the Service Provider and the employees or personnel deputed by the Service Provider,
(ii). breach or non-performance by the Service Provider of any of their obligations or Duties or covenants under the Work Order,
(iii). suits, proceedings, claims, demands or actions of any nature which may be filed against Owner and/or its directors, executives, employees and agents by any third party in connection with the Services provided or any worker or agent of the Service Provider;
(iv). the representations or warranties made by the Service Provider to Owner being untrue, incorrect or misleading;
(v). non-observance or non-performance by the Service Provider of the terms, conditions,

agreements and provisions contained in the Work Order and/or the statutory rules and regulations applicable and in force, from time to time, for carrying out its obligations under the Work Order; or

(vi). any damage caused to the Products while the Service Provider is performing the Services.

The indemnity given by the Service Provider as specified in the Work Order, shall not be affected by; (i) the termination of the Work Order; (ii) the Service Provider being wound up or liquidated or amalgamated with any other company; (iii) any of the terms and/or conditions of the Work Order being changed or altered; and (iv) any time being given for performance as a result of breach on part of the Service Provider being waived by Owner.

Termination: As per the Work Order, the Owner has the right to terminate the Work Order upon notice of fifteen (15) days or upon appointment of a new service provider/ project manager (whichever is later) in the event of:

(i). failure of Service Provider to perform the Services in accordance with the terms of the Work Order and to the entire satisfaction of Owner without any further cost to Owner from the date of notice;

(ii). the Service Provider is unable to pay its debts or becomes insolvent or an order is made or a resolution passed for the administration, winding-up or dissolution of the Service Provider (otherwise than for the purposes of amalgamation or reconstruction) or an administrator or other receiver, manager, trustee, liquidator, administrator, or similar officer is appointed over all or any substantial part of the assets of the Service Provider or the Service Provider enters into or proposes any composition or arrangement with its creditors generally or anything analogous to the foregoing occurs in any applicable jurisdiction;

(iii). the death or incapacity of the principal officer or a partner of the Service Provider if in the opinion of the Owner, the principal officer or partner was mainly responsible to look after the obligations of the Service Provider;

(iv). the failure of the Service Provider to obtain or keep in effect any license or permit required by state or local laws for performance of the Service Provider's obligation under the Work Order or suffers violation of any law, ordinance, rule or regulation of any governmental agency in connection with Services conducted by the Service Provider;

(v). the filing of or conviction of the Service Provider or any of its partners or principal officers or officers or managers of any crime involving moral turpitude or felony or any other crime or offense that is likely to adversely affect the reputation of Owner;

(vi). assignment or an attempt to assign the Work Order without Owner's prior written consent; and

(vii). the representations and warranties made by the Service Provider under the Work Order are false or misleading.

In any such event, Owner shall be entitled to get the work completed through any third party at the risk and cost of Service Provider and recover the amount from the amounts payable to Service Provider. If sufficient balance is not available from the amounts remaining to be paid to Service Provider, then Owner may recover the amount through other means.

Notwithstanding anything contained in the Work Order, the Owner may also terminate the Work Order or all or any part of the Services for convenience or on being instructed so by Axis Trustee Services Limited (acting as the trustee of India Grid Trust, being the ultimate parent of the Owner) at any time *without* assigning any reason by providing Service Provider with thirty (30) days prior written notice of termination specifying a termination date. Upon such termination of the Work Order, Owner shall pay to Service Provider the charges incurred up to the date of termination for the Services, together with any other payments due and payable in accordance with the provisions of the Work Order subject to the right to set off or adjust any amounts that may be due to Owner by the Service Provider. The Service Provider shall continue to be liable for all its acts of omissions and commissions for the period during which it served as the Service Provider until cessation of work. Further, the terms of nature that are intended to survive the expiry or termination of the Work Order, shall continue to survive.

OTHER PARTIES INVOLVED IN INDIGRID

The Auditor

Background and terms of appointment

The Investment Manager, in consultation with the Trustee, has appointed S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) with effect from 2021, as the auditors of IndiGrid for a period of five years. The Auditors have audited, the Consolidated Financial Statements and the Standalone Financial Statements, which have been included in this Preliminary Placement Document.

For further details regarding the policy adopted by the Investment Manager on appointment of the auditors, please see the section entitled "*Corporate Governance - Policies of the Board of Directors of the Investment Manager in relation to IndiGrid*" on page 168.

Functions, Duties and Responsibilities of the Auditor

The functions, duties and responsibilities of the Auditor will be in accordance with the InvIT Regulations. Presently, in terms of the InvIT Regulations, the Auditor is required to comply with the following conditions at all times:

1. the Auditor shall conduct audit of the accounts of IndiGrid and draft the audit report based on the accounts examined by him and after taking into account the relevant accounting and auditing standards, as may be specified by SEBI;

2. the Auditor shall, to the best of his information and knowledge, ensure that the accounts and financial statements give a true and fair view of the state of the affairs of IndiGrid, including profit or loss and cash flow for the period and such other matters as may be specified;

3. the Auditor shall have a right of access at all times to the books of accounts and vouchers pertaining to activities of IndiGrid;

4. the Auditor shall have a right to require such information and explanation pertaining to activities of IndiGrid as he may consider necessary for the performance of his duties as auditor from the employees of IndiGrid or parties to IndiGrid or the holdco or the special purpose vehicles or any other person in possession of such information.

5. the Auditor shall undertake a limited review of the audit of all the entities or companies whose accounts are to be consolidated with the accounts of IndiGrid as per the applicable Indian Accounting Standards and any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, in such manner as may be specified by SEBI.

The Valuer

Background and terms of appointment

The Investment Manager, in consultation with the Trustee, has appointed Manish Gadia (IBBI Registration No.: IBBI/RV/06/2019/11646) as the valuer of IndiGrid for the Fiscal 2024. In accordance with the InvIT Regulations, the Valuer has undertaken a full valuation of the Portfolio Assets, and the report in relation to such valuation as on September 30, 2023 is available at www.indigrid.co.in. and has been attached as Annexure A. All disclosures made regarding valuation since the initial offer are also available at https://www.indigrid.co.in/investor/financial-results/.

The Board of Directors of the Investment Manager, in consultation with the Trustee, and the Unitholders of the Trust have approved the appointment of Mr. Manish Gadia, Chartered Accountants, bearing IBBI registration number IBBI/RV/06/2019/11646 as the valuer of IndiGrid, with effect from April 1, 2023, for fiscal 2024.

For further details regarding the policy adopted by the Investment Manager on appointment of the valuer, please see the section entitled "*Corporate Governance - Policies of the Board of Directors of the Investment Manager in relation to IndiGrid*" on page 168.

Functions, Duties and Responsibilities of the Valuer

The functions, duties and responsibilities of the Valuer will be in accordance with the InvIT Regulations. Presently, in terms of the InvIT Regulations, the Valuer is required to comply with the following conditions at all times:

1. the Valuer shall ensure that the valuation of IndiGrid assets is impartial, true and fair and is in accordance with Regulation 21 of the InvIT Regulations;

2. the Valuer shall ensure that adequate and robust internal controls to ensure the integrity of its valuation reports;

3. the Valuer shall ensure that it has sufficient key personnel with adequate experience and qualification to perform valuations;

4. the Valuer shall ensure that it has sufficient financial resources to enable it to conduct its business effectively and meet its liabilities;

5. the Valuer and any of its employees involved in valuing of the assets of IndiGrid, shall not, (i) invest in units of IndiGrid or in the assets being valued; and (ii) sell the assets or units of IndiGrid held prior to being appointed as the Valuer, until the time such person is designated as Valuer of IndiGrid and not less than six months after ceasing to be Valuer of IndiGrid;

6. the Valuer shall conduct valuation of IndiGrid's assets with transparency and fairness and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgment;

7. the Valuer shall act with independence, objectivity and impartiality in performing the valuation;

8. the Valuer shall discharge its duties towards IndiGrid in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete a given assignment;

9. the Valuer shall not accept remuneration, in any form, for performing a valuation of IndiGrid's assets from any person other than IndiGrid or its authorised representative;

10. the Valuer shall before accepting any assignment from any related party of IndiGrid, disclose to IndiGrid any direct or indirect consideration which the Valuer may have in respect of such assignment;

11. the Valuer shall disclose to IndiGrid any pending business transactions, contracts under negotiation and other arrangements with the investment manager or any other party whom IndiGrid is contracting with and any other factors that may interfere with the Valuer's ability to give an independent and professional valuation of the assets;

12. the Valuer shall not make false, misleading or exaggerated claims in order to secure assignments;

13. the Valuer shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information;

14. the Valuer shall not accept an assignment which interferes with its ability to do fair valuation;

15. the Valuer shall, prior to performing a valuation, acquaint itself with all laws or regulations relevant to such valuation.

CORPORATE GOVERNANCE

The section below is a summary of the corporate governance framework in relation to IndiGrid, implemented by the Investment Manager and each of the Portfolio Assets.

1. Investment Manager

Board of Directors

Composition of the Board of Directors of the Investment Manager

In addition to the applicable provisions of the InvIT Regulations and the Companies Act, the board of directors of the Investment Manager ("**IM Board**") shall adhere to the following:

(a) Not less than 50% (fifty per cent) of the board of directors shall comprise independent directors, determined in accordance with the InvIT Regulations. The IM Board shall comprise of not less than 6 directors and also have not less than one woman independent director. Such directors shall not be directors or members of the governing board of the investment manager of another infrastructure investment trust registered under the InvIT Regulations. The remaining directors shall be appointed in accordance with the provisions of the Companies Act;

(b) The independence of directors shall be determined in accordance with the InvIT Regulations and other applicable law;

(c) The chairperson of the IM Board shall be a non-executive independent director;

(d) Collective experience of directors of the Investment Manager shall cover a broad range of commercial experience, particularly experience in infrastructure sector (including the applicable sub-sector), investment management or advisory and financial matters.

For details of the current composition of the board of directors of the Investment Manager, please see the section entitled "*Parties to IndiGrid – Investment Manager – Board of Directors of the Investment Manager*" on page 144. Also see "*Rights of Unitholders – Nominee Directors*" on page 340.

Quorum

The quorum for every meeting of the Board shall be in accordance with the InvIT Regulations.

Frequency of meetings

The board of directors of the Investment Manager shall meet at least four times every year, with a maximum gap of 120 days between any two successive meetings or such gap as prescribed under applicable law. Additionally, the board of directors of the Investment Manager, prior to any meeting of the Unitholders, shall approve the agenda for Unitholders' meetings.

Remuneration of Directors

Sitting fee: The directors of the Investment Manager will receive sitting fee for attending board meetings and meetings of the committees, in accordance with the Companies Act.

Other remuneration payable to independent directors: In accordance with the Nomination and Remuneration Policy of IndiGrid, of the fees payable to the Investment Manager, an amount not exceeding 0.4% shall be payable to the independent directors of the Investment Manager ("**Overall Limit**"), as approved by the Unitholders of IndiGrid. For further details in relation to the fees payable to the Investment Manager, please see the section entitled "*Overview of IndiGrid*" on page 25.

The board of directors of the Investment Manager shall confirm to the Trustee that the independent directors being considered for performance remuneration have complied with the following, amongst others:

(i) The attendance of a particular independent director is not less than 75% or as specified in the relevant independent director's appointment letter. If an independent director has not achieved the specified attendance, he/ she shall not be entitled to any performance remuneration.

(ii) The independent director(s) have complied with the code of conduct for independent directors as provided under Schedule IV of the Companies Act, 2013 ("**Code of Conduct**"), to the extent the provisions thereof can be applied to IndiGrid. Any independent director in breach of the Code of Conduct shall not be entitled to any performance remuneration.

Upon completion of the evaluation exercise, the board of directors, on recommendation of the Nomination and Remuneration Committee, shall approve the performance remuneration payable to each independent director through a unanimous resolution including the amount payable to each independent director within the Overall Limit approved by the Unitholders of IndiGrid.

The remuneration payable to the independent directors will be within the overall limit of the fee payable to the Investment Manager.

Committees of the board of directors

Name of committee	Composition	Present Members	Quorum	Frequency of meetings
Investment Committee	The Investment Committee shall comprise of directors of the board of directors of the Investment Manager. Majority members, including the chairperson of the Investment Committee shall be independent directors. The company secretary of the Investment Manager shall act as the secretary to the Investment Committee.	Tarun Kataria (Chairperson); Ashok Sethi; Hardik Shah and Ami Momaya.	The quorum shall be at least 50% of the number of members of the Investment Committee and subject to a minimum of two members.	The Investment Committee shall meet at least four times every year, with a maximum gap of 120 days between any two successive meetings. Additionally, the Investment Committee shall meet prior to any investments or divestments of assets for such number of times as required considering the scope and terms of reference of the Committee.
Audit Committee	The Audit Committee shall comprise of directors on the board of directors of the Investment Manager. The chairperson of the Audit Committee shall be an independent director. All members of the Audit Committee shall be financially literate and at least one member shall have accounting or related financial management expertise. The company secretary of the Investment Manager shall act as the secretary to the Audit Committee.	Tarun Kataria (Chairperson); Ashok Sethi; Jayashree Vaidhyanathan and Ami Momaya.	The quorum shall be at least 50% of the directors, of which at least 50% of the directors present, shall be independent directors and subject to a minimum of two members being present in person.	The Audit committee shall meet at least once in every calendar quarter, with a maximum interval of 120 days between any two consecutive meetings of the Committee, such that at least four meetings are held in each calendar year and further such number of times as required considering the scope and terms of reference of the Committee.
Stakeholders' Relationship Committee	The Stakeholders' Relationship Committee shall comprise of directors on the board of directors of the Investment Manager. The chairperson of the Stakeholders' Relationship Committee shall be an independent director.	Ashok Sethi (Chairperson); Jayashree Vaidhyanathan; and Ami Momaya.	The quorum shall be at least 50% of the number of members of the Stakeholders' Relationship Committee and subject to a minimum of two members.	The Stakeholders' Relationship Committee shall meet at least two times every year, or as frequently as determined by the board of directors of the Investment Manager or as directed by the Trustee.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee shall comprise of at least three independent directors of the board of directors of the Investment Manager. The chairperson of the Nomination and Remuneration Committee shall be an independent director.	Jayashree Vaidhyanathan (Chairperson); Tarun Kataria; Ashok Sethi	The quorum shall be at least 50% of the members of the Nomination and Remuneration Committee and subject to a minimum of two members.	The Nomination and Remuneration Committee shall meet at least two times every year, or as frequently as determined by the board of directors of the Investment Manager or as directed by the Trustee.
Allotment Committee	The Allotment Committee comprises of board of directors of the Investment Manager. The company secretary of the Investment Manager act as the secretary to the committee.	Ashok Sethi (Chairperson); Harsh Shah; Tarun Kataria and Ami Momaya.	The quorum shall be at least two members of the Allotment Committee.	As and when required.
Risk Management Committee	The risk management committee shall consist of at least three members. The Risk Management Committee comprises of board of	Jayashree Vaidhyanathan (Chairperson);	The quorum shall be at least two members, of which 50% shall be Independent Directors.	As and when required.

Name of committee	Composition	Present Members	Quorum	Frequency of meetings
	directors of the Investment Manager. The company secretary of the Investment Manager act as the secretary to the committee.	Tarun Kataria; Ashok Sethi and Ami Momaya		
ESG & CSR Committee	The ESG & CSR Committee comprises of board of directors of the Investment Manager.	Jayashree Vaidhyanathan (Chairperson); Tarun Kataria; Ashok Sethi and Ami Momaya	The quorum of the ESG & CSR Committee shall be at least 50% of the numbers of members, subject to a minimum of two members.	As and when required.
Issue Committee	The Issue Committee comprises of board of directors of the Investment Manager.	Harsh Shah and Ashok Sethi	-	As and when required.

For details of the scope of each committee, please see below.

Investment Committee

Terms of reference of the Investment Committee

The terms of reference of the Investment Committee include the following:

(i) Reviewing investment decisions with respect to the underlying assets or projects of IndiGrid from the Sponsor including any further investments or divestments to ensure protection of the interest of unitholders including, investment decisions which are related party transactions;

(ii) Approving any proposal in relation to acquisition of assets, further issue of units including in relation to acquisition or assets; and

(iii) Formulating any policy for the Investment Manager as necessary, in relation to its functions, as specified above.

Audit Committee

Terms of reference of the Audit Committee

The terms of reference of the Audit Committee include the following:

(i) Provide recommendations to the board of directors regarding any proposed distributions;

(ii) Overseeing IndiGrid's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;

(iii) Giving recommendations to the board of directors regarding appointment, re-appointment and replacement, remuneration and terms of appointment of the statutory auditor of IndiGrid and the audit fee, subject to the approval of the unitholders;

(iv) Reviewing and monitoring the independence and performance of the statutory auditor of IndiGrid, and effectiveness of audit process;

(v) Approving payments to statutory auditors of IndiGrid for any other services rendered by such statutory auditors;

(vi) Reviewing the annual financial statements and auditor's report thereon of IndiGrid, before submission to the board of directors for approval, with particular reference to:

- changes, if any, in accounting policies and practices and reasons for such change;
- major accounting entries involving estimates based on the exercise of judgment by management;
- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;

- disclosure of any related party transactions; and
- qualifications in the draft audit report;

(vii) Reviewing, with the management, all periodic financial statements, including but not limited to half-yearly and annual financial statements of IndiGrid before submission to the board of directors for approval;

(viii) Reviewing, with the management, the statement of uses/application of funds raised through an issue of units by IndiGrid (public issue, rights issue, preferential issue etc.) and the statement of funds utilised for purposes other than those stated in the offer documents/ notice, and making appropriate recommendations to the board of directors for follow-up action;

(ix) Approval or any subsequent modifications of transactions of IndiGrid with related parties including, reviewing agreements or transactions in this regard;

(x) Scrutinising loans and investments of IndiGrid;

(xi) Reviewing all valuation reports required to be prepared under applicable law, periodically, and as required, under applicable law;

(xii) Evaluating financial controls and risk management systems of IndiGrid;

(xiii) Reviewing, with the management, the performance of statutory auditors of IndiGrid, and adequacy of the internal control systems, as necessary;

(xiv) Reviewing the adequacy of internal audit function if any of IndiGrid, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(xv) Reviewing the findings of any internal investigations in relation to IndiGrid, into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board of directors;

(xvi) Reviewing the procedures put in place by the Investment Manager for managing any conflict that may arise between the interests of the unitholders, the parties to IndiGrid and the interests of the Investment Manager, including related party transactions, the indemnification of expenses or liabilities incurred by the Investment Manager, and the setting of fee or charges payable out of IndiGrid’s assets;

(xvii) Discussing with statutory auditors and valuers prior to commencement of the audit or valuation, respectively, about the nature and scope, as well as post-audit/ valuation discussion to ascertain any area of concern;

(xviii) Reviewing and monitoring the independence and performance of the valuer of IndiGrid;

(xix) Giving recommendations to the board of directors regarding appointment, re-appointment and replacement, remuneration and terms of appointment of the valuer of IndiGrid;

(xx) Evaluating any defaults or delay in payment of distributions to the unitholders or dividends by the Portfolio Assets to IndiGrid and payments to any creditors of IndiGrid or the Portfolio Assets, and recommending remedial measures;

(xxi) Management’s discussion and analysis of financial condition and results of operations;

(xxii) Reviewing the statement of significant related party transactions, submitted by the management;

(xxiii) Reviewing the management letters/letters of internal control weaknesses issued by the statutory auditors; and

(xxiv) Formulating any policy for the Investment Manager as necessary, in relation to its functions, as specified above.

Stakeholders’ Relationship Committee

Terms of reference of the Stakeholders’ Relationship Committee

The terms of reference of the Stakeholders’ Relationship Committee shall include the following:

(i) Considering and resolving grievances of the unitholders, including complaints related to the transfer of units, non-receipt of annual report and non-receipt of declared distributions;

(ii) Reviewing of any litigation related to unitholders' grievances;

(iii) Undertaking all functions in relation to protection of Unitholders' interests and resolution of any conflicts, including reviewing agreements or transactions in this regard;

(iv) Updating unitholders on acquisition / sale of assets by IndiGrid and any change in the capital structure of the Portfolio Assets;

(v) Reporting specific material litigation related to unitholders' grievances to the board of directors; and

(vi) Approving report on investor grievances to be submitted to the Trustee.

Nomination and Remuneration Committee

Terms of reference of the Nomination and Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee include the following:

(i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Investment Manager a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(ii) Formulation of criteria for evaluation of performance of independent directors and the board of directors;

(iii) Devising a policy on board diversity;

(iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal and evaluation of director's performance;

(v) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(vi) Carrying out any other function as prescribed under applicable law;

(vii) Endeavour to appoint new key employee to replace any resigning key employee within six months from the date of receipt of notice of resignation and recommend such appointment to the Board, if necessary; and

(viii) Performing such other activities as may be delegated by the board of directors of the Investment Manager and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

Allotment Committee

Terms of reference of the Allotment Committee

The terms of reference of the Allotment Committee include the following:

(i) To approve the terms of units, debentures and all types of permitted securities through preferential issue, private placement, rights issue, qualified institutional placements;

(ii) To approve issue, subscription, allotment of units, debentures and all types of permitted securities to eligible investors and/or identified investors;

(iii) To approve opening of issue, terms of issue, floor price, issue price, application form, offer document/ placement document including its addendum/ corrigendum and all the matters related thereto;

(iv) To authorize officers, agents, consultants, banks, advisors or any related person to submit, file, resubmit, modify, sign, execute, process all types of documents and information including but not limited to application, letters, clarifications, undertaking, certification, declaration to obtain all the necessary approvals, consents, permits, license, registration from government, regulatory, semi-government, statutory and private authorities, institutions, bodies, organizations including but not limited to RBI, SEBI, stock exchange, depositories; and

(i) To authorize officers, agents, consultants, banks, advisors or any related person to do all such acts, deeds and matters as may be incidental or considered necessary for giving effect to the aforesaid resolution.

Risk Management Committee

Terms of reference of the Risk Management Committee

The terms of reference of the Risk Management Committee include the following:

(i) To identify, assess, mitigate and monitor the existing as well as potential risks to the Trust (including risks associated with cyber security and financial risk), to recommend the strategies to the Board of Directors to overcome them and review key leading indicators in this regard;

(ii) To periodically review and approve the Risk Management framework including the risk management processes and practices of the Trust;

(iii) To evaluate significant risk exposures of the Trust and assess management's actions to mitigate the exposures in a timely manner;

(iv) To develop and implement action plans to mitigate the risks;

(v) To coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice);

(vi) To oversee at such intervals as may be necessary, the adequacy of Trust's resources to perform its risk management responsibilities and achieve its objectives;

(vii) To review and periodically assess the Trust's performance against the identified risks of the Investment Manager.

ESG & CSR Committee

Terms of reference of the ESG & CSR Committee

The ESG & CSR Committee shall have the powers to set out the their terms of reference.

Issue Committee

Terms of reference of the Issue Committee

The terms of reference of the Issue Committee include the following:

(i) To approve the terms of units to be issued, pursuant to the proposed institutional placement;

(ii) To approve issue, subscription, allotment of units pursuant to the proposed institutional placement to eligible investors and/or identified investors;

(iii) To approve opening of issue, terms of issue, relevant date for determining the floor price, the floor price, issue price, application form, closing of issue, confirmation of allocation note, refund intimation letter, offer document/ placement document including its addendum/ corrigendum and all the matters related thereto;

(iv) To authorize officers, agents, consultants, banks, advisors or any related person to submit, file, resubmit, modify, sign, execute, process all types of documents and information including but not limited to application, letters, clarifications, undertaking, certification, declaration to obtain all the necessary approvals, consents, permits, license, registration from government, regulatory, semi-government, statutory and private authorities, institutions, bodies, organizations including but not limited to RBI, SEBI, stock exchange, depositories;

(v) To authorize officers, agents, consultants, banks, advisors or any related person to do all such acts, deeds and matters as may be incidental or considered necessary for giving effect to the aforesaid resolution.

(vi) To settle all questions, difficulties or doubts that may arise in regard to such issues or allotment and matters incidental thereto as it may, deem fit and to delegate such of its powers as may be deemed necessary to the officials of the Company; and

(vii) To do all such acts, deeds, matters and things and execute all such other documents, etc., deem necessary or desirable for such purpose of in relation to the Issue.

Policies of the Board of Directors of the Investment Manager in relation to IndiGrid

The Investment Manager has adopted the following policies and codes in relation to IndiGrid, which have previously been published or issued, and shall be incorporated in, and form part of, this Preliminary Placement Document, as on the date of this Preliminary Placement Document:

Sr. No.	Title of Document	Available at
Policies		
1.	Borrowing Policy and Framework	https://www.indigrid.co.in/wp-content/uploads/2021/12/Borrowing_Policy.pdf https://www.indigrid.co.in/wp-content/uploads/2021/12/Borrowing_Framework.pdf
2.	Policy in relation to Related Party Transactions and Conflict of Interests	https://www.indigrid.co.in/wp-content/uploads/2021/12/Policy_on_Ralated_Part_-Transactions.pdf
3.	Policy on Appointment of Auditor and Valuer	https://www.indigrid.co.in/wp-content/uploads/2021/12/Policy_on_Appointment_of_Auditor_and_Valuer.pdf
4.	Policy for Determining Materiality of Information for Periodic Disclosures	https://www.indigrid.co.in/wp-content/uploads/2021/12/Policy-for-determining-Materiality-of-Information.pdf
5.	Document Archival Policy	https://www.indigrid.co.in/wp-content/uploads/2021/12/IGT_Policy-for-Preservation-of-Documents-and-Archival-Policy_Clean.pdf
6.	Nomination & Remuneration Policy	https://www.indigrid.co.in/wp-content/uploads/2021/12/NRC_Policy-updated_04102023.pdf
7.	Distribution Policy	https://www.indigrid.co.in/wp-content/uploads/2021/12/Distribution_Policy.pdf
8.	Policy on Vendor Selection and Evaluation	https://www.indigrid.co.in/wp-content/uploads/2021/12/POLICY_ON_VENDOR_SELECTION__EVALUATION.pdf
9.	Policy on Material Subsidiaries	https://www.indigrid.co.in/wp-content/uploads/2021/12/Policy_on_Material_Subsidiaries.pdf
10.	Policy on unpublished price sensitive information and dealing in units by the parties to the Trust	https://www.indigrid.co.in/wp-content/uploads/2021/12/Policy_on_UPSI_and_dealing_in_units_by_the_parties_to_the_Trust.pdf
11.	Investor Grievance Redressal Policy	https://www.indigrid.co.in/wp-content/uploads/2023/05/Investor_Grievance_Redressal_Policy-1-1.pdf
Codes		
12.	Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons	https://www.indigrid.co.in/wp-content/uploads/2021/12/Code_of_Internal_Procedures_and_Conduct_for_Regulating_Monitoring_and_Reporting_of_Trading_by_Designated_Persons_21-1.pdf
13.	Code on Ethical Business Conduct (including the Whistle-blower policy)	https://www.indigrid.co.in/wp-content/uploads/2021/12/Code-of-Ethical-Business-Conduct_Edited-PDF_09022023.pdf Guidance Note - https://www.indigrid.co.in/wp-content/uploads/2021/12/Guidance_Note_on_Whistle_Blower_Policy.pdf
14.	Internal Audit Framework	https://www.indigrid.co.in/wp-content/uploads/2022/02/Internal-Audit-Framework-1.pdf
15.	Framework on Succession Planning	https://www.indigrid.co.in/wp-content/uploads/2022/02/Framework-on-Succession-Planning.pdf
16.	Auditor's Engagement Framework	https://www.indigrid.co.in/wp-content/uploads/2022/02/Auditor-Engagement-Framework.pdf

For details of the Distribution Policy in relation to IndiGrid, see the section entitled "*Distribution – Distribution Policy*" on page 275.

2. Portfolio Assets

Representatives on the Board of Directors of each Portfolio Asset

The Investment Manager, in consultation with the Trustee, has the power to appoint the majority of the board of directors of each of the Portfolio Assets. Further, the Investment Manager shall ensure that in every meeting, including annual general meetings of any of the Portfolio Assets, the voting of IndiGrid is exercised.

INDUSTRY OVERVIEW

*The information in this section is derived from the report entitled "Market Assessment of India power transmission sector in December, 2023", prepared by CRISIL Market Intelligence & Analytics (the "**CRISIL Report**") except for other publicly available information as cited in this section. We commissioned the CRISIL Report for the purposes of confirming our understanding of the industry in connection with the Issue. Further, the CRISIL Report was prepared based on information as of specific dates which may no longer be current or reflect current trends and opinions in the CRISIL Report may be based on estimates, projections, forecasts and assumptions that may prove to be incorrect. CRISIL Market Intelligence & Analytics, a division of CRISIL Limited ("**CRISIL MI&A**"), has advised that while it has taken due care and caution in preparing the CRISIL Report based on the information obtained by CRISIL MI&A from sources which it considers reliable, the results that can be or are derived from these findings are based on certain assumptions and parameters / conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged. Further, the CRISIL Report is not a recommendation to invest / disinvest in any entity covered in the CRISIL Report. CRISIL especially states that it does not have access to information obtained by CRISIL Ratings Limited, which may, in their regular operations, obtain information of a confidential nature. The views expressed in the CRISIL Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. Prospective investors are advised not to unduly rely on the CRISIL Report.*

Overview of India's macroeconomy

Economic indicators

As per data released by the National Statistical Office (NSO) in May 2023, India's gross domestic product (GDP) at constant (fiscal 2012) prices was estimated at Rs 160.06 lakh crore in fiscal 2023 vis-à-vis the first revised estimate (RE) for fiscal 2022 of Rs 149.26 lakh crore, which translated into a growth of 7.2%. This was slower than the 9.1% growth in fiscal 2022. However, India has overtaken the United Kingdom's economy in terms of size, making it the fifth biggest. In fact, India's GDP growth is estimated to be the highest amongst the top 10 economies.

GDP trajectory (% change)

At basic prices	FY18	FY19	FY20	FY21	FY22	FY23E	At market prices	FY18	FY19	FY20	FY21	FY22	FY23 E
							GDP	6.8%	6.5%	3.9%	-5.8%	9.1%	7.2%
Agriculture	6.6%	2.1%	5.5%	3.3%	3.5%	4.0%	Private consumption	6.2%	7.1%	5.2%	-6.0%	11.1%	7.5%
Industry	5.9%	5.3%	-1.4%	-3.3%	14.8%	10.0%	Govt. consumption	11.9%	6.7%	3.4%	3.6%	6.6%	0.1%
Manufacturing	7.5%	5.4%	-2.9%	-0.6%	11.1%	1.3%	Fixed investment	7.8%	11.2%	1.6%	-10.4%	14.6%	11.4%
Mining and quarrying	-5.6%	-0.8%	-1.5%	-8.6%	7.1%	4.6%	Exports	4.6%	11.9%	-3.4%	-9.2%	29.3%	13.6%
Services	6.3%	7.2%	6.3%	-7.8%	9.7%	7.2%	Imports	17.4%	8.8%	-0.8%	-13.8%	21.8%	17.1%

E: Estimated
Source: NSO, CEIC, CRISIL Consulting

All demand-side segments, except the government's final consumption expenditure and exports, showed healthy growth.

Services, investments, and private consumption lead GDP growth in First Quarter

Particulars	Demand Side		Particulars	Supply Side	
	Q4 FY23	Q1 FY24		Q4 FY23	Q1 FY24
GDP	6.1%	7.8%	GVA	6.5%	7.8%
GFCE	2.3%	-0.7%	Manufacturing	4.5%	4.7%
PFCE	2.8%	6.0%	Public Administration	3.1%	7.9%
GFCF	8.9%	8.0%	Agri	5.5%	3.5%
Imports	4.9%	10.1%	Mining	4.3%	5.8%
Exports	11.9%	-7.7%	Financial Services	7.1%	12.2%

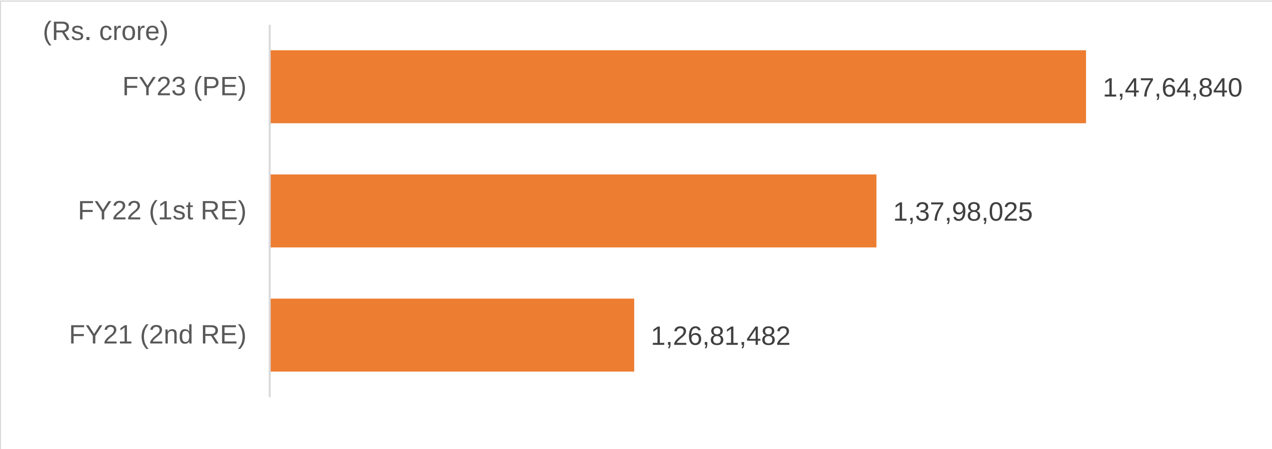
			Electricity	6.9%	2.9%
			Construction	10.4%	7.9%
			THTC	9.1%	9.2%

(1) Note: GFCE: Government final consumption expenditure, PFCE: Private final consumption expenditure; GFCF: Gross fixed capital formation; GVA: Gross value added; THTC refers to trade, hotels, transport, and communication services; financial services+ refers to financial, real estate and professional services; public ad+ refers to public administration, defence and other services

Source: NSO, CEIC, CRISIL Consulting

GVA performance

GVA at basic prices



RE: Revised estimates; PE: Provisional estimates

Source: Ministry of Statistics and Programme Implementation, CRISIL Consulting

India's GDP recovered with subsiding of the pandemic

In the past 10 years (during fiscal 2014 to 2023), India's GDP at constant (fiscal 2012) prices grew at a compounded growth of ~5.6% (CAGR).

After the robust growth in fiscal 2023, a slowdown is inevitable this fiscal because of rising borrowing costs. External demand is expected to weaken with interest rates in the major advanced economies hitting the highest level in more than a decade. The rates are expected to peak in the fiscal, hitting both global and domestic demand. S&P Global expects US GDP to grow 2.3% in 2023 and 1.3% in 2024 and the eurozone to grow 0.6% in 2023. These economies account for 33% of the goods exports from India.

While domestic interest rates are rising slower than in advanced nations, bank lending rates have reached the pre-pandemic five-year average. This is expected to moderate domestic demand, particularly in interest-sensitive industries such as housing and automobiles. However, domestic demand this fiscal looks promising due to declining commodity costs and decelerating inflation. CRISIL Consulting expects further support from the government's continuing infrastructure spending.

The key swing factor is monsoon, which has a significant bearing on rural demand. While the India Metrological Department has forecast a normal monsoon, regional and temporal distribution will have a bearing on agricultural output. Downside risks from an expected El Niño remain. Overall, CRISIL Consulting expects India's real GDP to grow 6% in fiscal 2024, compared with 7.2% past fiscal.

CRISIL's key projections

	FY18	FY19	FY20	FY21	FY22	FY23E	FY24P
GDP growth (%)	6.8%	6.5%	3.9%	-5.8%	9.1%	7.0%	6.0%
CPI (%, average)	3.6%	3.4%	4.8%	6.2%	5.5%	6.8%	5.5%
CAD/GDP (%)	1.8%	2.1%	0.9%	-0.9%	1.2%	2.5%	1.8%

	FY18	FY19	FY20	FY21	FY22	FY23E	FY24P
FAD/GDP (%)	3.5%	3.4%	4.6%	9.2%	6.7%	6.4%#	5.9%*
Exchange rate (Rs/$ March-end)	65.0	69.5	74.4	72.8	76.2	82.3	83.0
10-year G-sec yield (%, March-end)	7.6%	7.5%	6.2%	6.2%	6.8%	7.4%	7.0%

(2) # Revised estimate, *Budget estimate

(3) E: Estimated; P: Projected; CPI: Consumer Price Index-linked; CAD: Current account deficit; G-sec: Government security; FAD: Fiscal account deficit

Source: CSO, RBI, CRISIL estimates

Overview of other demographic factors

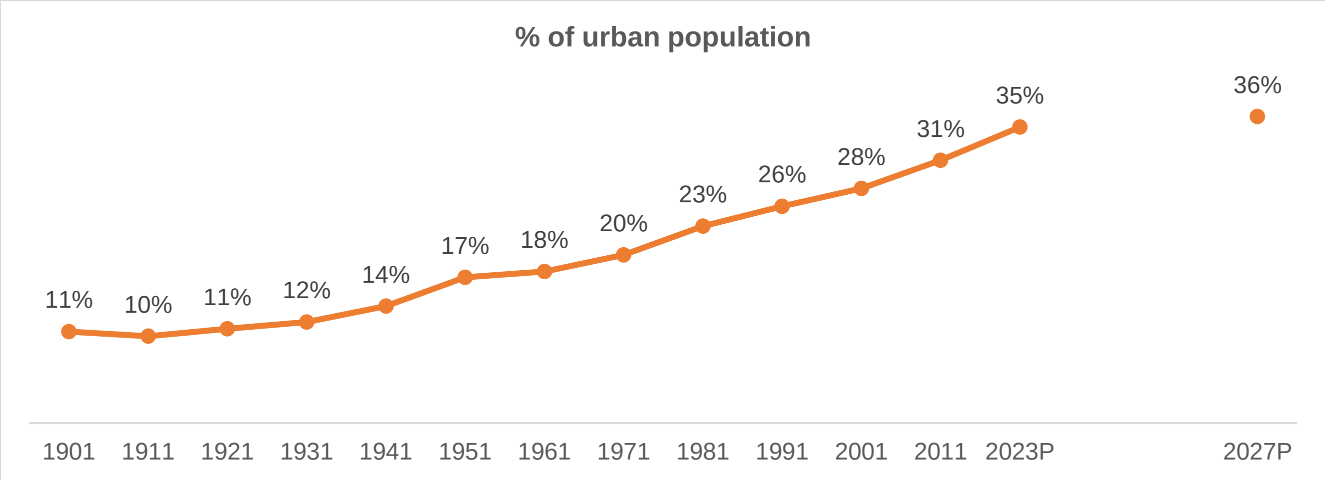
i. Urbanisation

Urbanisation is one of the big growth drivers, as it leads to rapid infrastructure development, job creation, development of modern consumer services, and mobilisation of savings.

To be sure, the share of the urban population in India in overall population, which stood at ~31% in 2011, has been consistently rising over the years, and is expected to reach 36% by 2027, spurring increasing consumer demand.

Indeed, urban consumption in India has shown signs of improvement. And given India's favourable demographics, along with rising disposable income, the trend is likely to continue and drive the country's economic growth.

Urban population as a % of total population of India



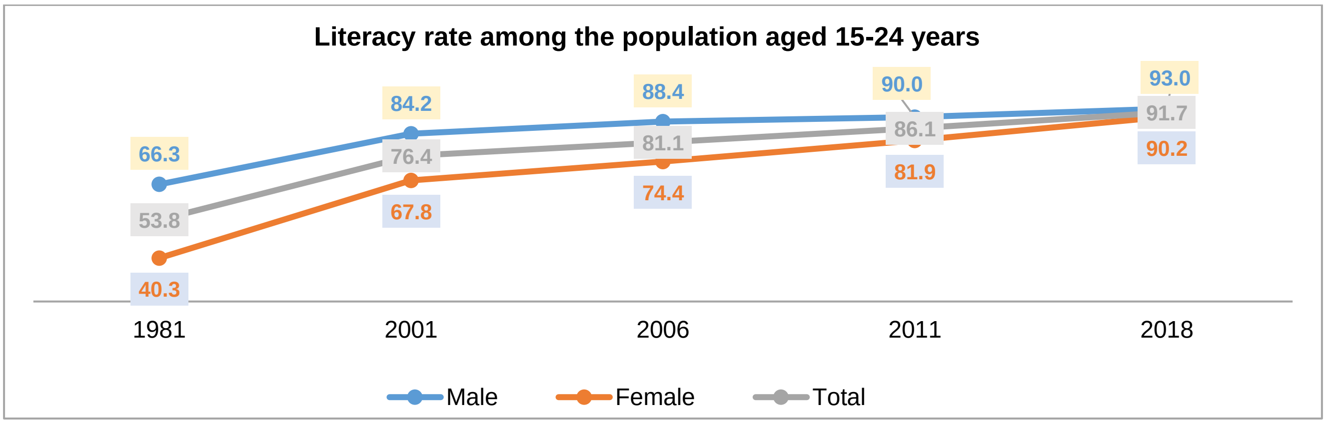
(4) P: Projected

Source: Census 2011, Report of The Technical Group on Population Projections by Ministry of Health & Family Welfare (July 2020), CRISIL Consulting

ii. Literacy

Literacy rate reflects the socio-economic progress of a country. India has experienced continuous growth in youth literacy rate (aged 15-24 years), which rose from ~54% in 1981 to ~90% in 2015. However, the pace of growth has decelerated since 2006. This is because the growth in male literacy rate is slowing; the literacy rate for the female population, though, has continued to rise.

Youth literacy rate of India



Source: United Nations Educational, Scientific and Cultural Organization, CRISIL Consulting

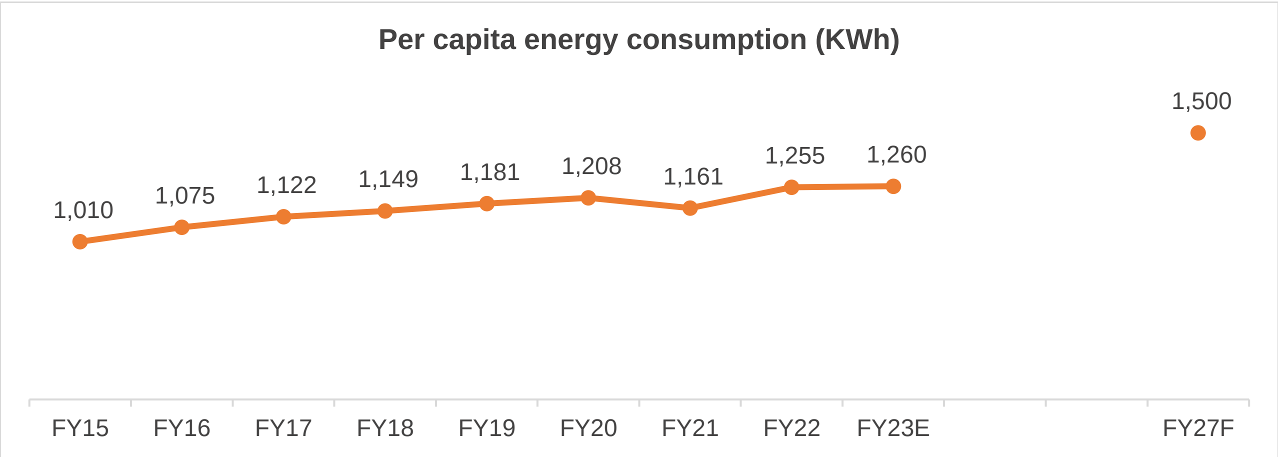
iii. Per capita power consumption

Electricity consumption per person rose to 1,161 kWh in fiscal 2021 from 1,075 kWh in fiscal 2016 at a CAGR of 1.6%, primarily because of strengthening of the transmission and distribution (T&D) network as well as large capacity additions. Post successive on-year growth in consumption, demand declined in fiscal 2021, particularly from high-consuming industrial and commercial categories on account of weak economic activity following outbreak of the COVID-19 pandemic. In fiscal 2022, though, per capita consumption rebounded to 1,255 kWh on the back of recovery in power demand, with a similar trend estimated in fiscal 2023.

Between fiscals 2022 and 2027, India's per capita electricity consumption is expected to grow at ~4% CAGR over a low base of fiscal 2021. Per capita consumption is expected to gradually improve in the long term as well, as power demand picks up on the back of improvement in access to electricity, in terms of quality and reliability, on account of intensive rural electrification and reduction in cost of power supply, resulting in realisation of latent demand from the residential segment.

Consequently, CRISIL Consulting expects per capita electricity consumption to reach 1,500-1,550 kWh by fiscal 2027.

Per capita electricity consumption



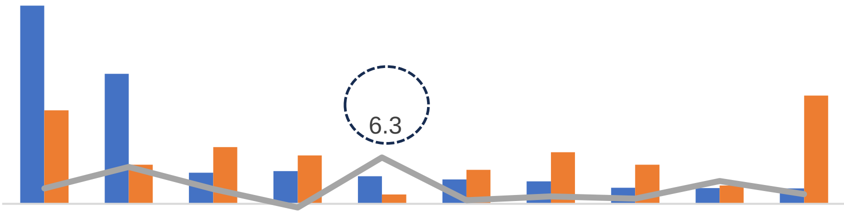
(5) E: Estimated; F: Forecast

Source: Central Electricity Authority of India (CEA), CRISIL Consulting

Outlook on GDP of major economies

India is projected to be the fifth largest economy in the world in 2023, according to the International Monetary Fund's (IMF) World Economic Outlook (October 2023). As per the said Report, India's GDP growth is estimated to grow at 6.3% in 2023, highest amongst the top 10 economies.

India's economy ranked 5th in the World



	United States	China	Japan	Germany	India	United Kingdom	France	Italy	Brazil	Canada
Nominal GDP ('000 Bn USD)	26.9	17.7	4.2	4.4	3.7	3.3	3.0	2.2	2.1	2.1
Per capita ele. consumption (MWh)	12.7	5.3	7.7	6.6	1.3	4.6	7.0	5.3	2.5	14.7
Real GDP Growth in %	2.1	5.0	2.0	-0.5	6.3	0.5	1.0	0.7	3.1	1.3

Source: World Economic Outlook Database (October 2023) by IMF; IEA, CEA, CRISIL Consulting

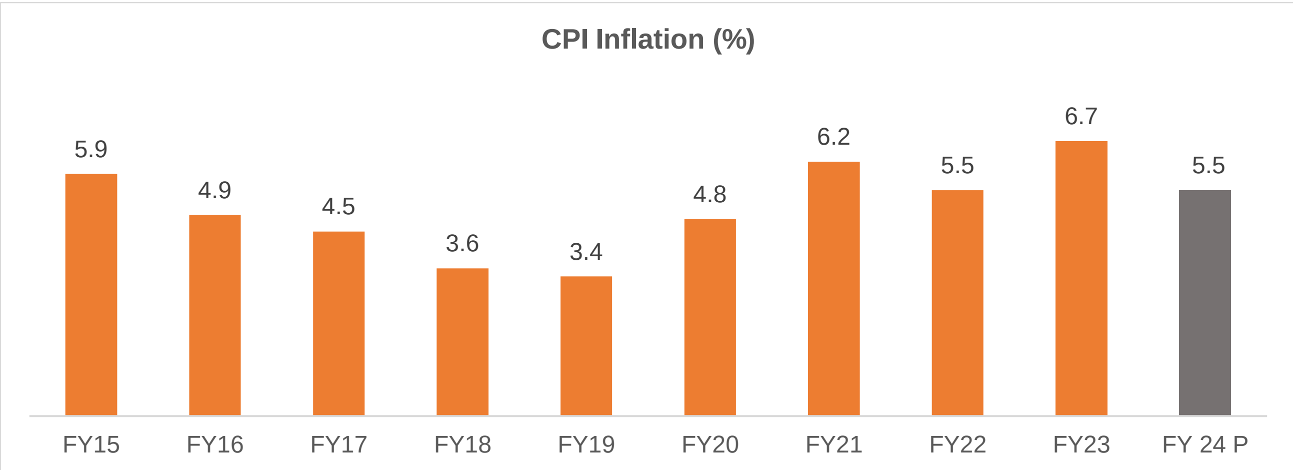
Outlook on inflation, interest rates, balance of payment, and currency

i. Inflation

Softer core to the rescue

Inflation based on the consumer price index (CPI) dropped a mild 15 basis points (bps) to 4.87% in October from 5.02% in September 2023, led by a broad-based decline in core and fuel inflation. Food inflation remained steady despite mixed underlying trend. The decline in core inflation (to 4.3% in Oct-23 from 4.5% in Sept-23) was a result of lower input-cost pressure on producers and, hence, on retail prices. Food inflation was steady — as vegetable prices softened, while pulses prices hardened — near 20% and cereal price inflation remained at ~11%. Spices hit 23%. Meanwhile, fuel inflation declined mildly, as it benefitted from a drop in retail LPG prices.

CPI inflation (%, y-o-y)



(6) P: Projected

Source: NSO, CEIC, CRISIL Consulting

CRISIL Consulting expects the Reserve Bank of India (RBI) to remain vigilant, as the headline inflation remains above the Monetary Policy Committee's (MPC) 4% target and risks to food and fuel inflation persist. Accordingly, CRISIL's base case for this fiscal is an average inflation of 5.5% and the MPC maintaining its policy rate and stance.

ii. Interest rates

Liquidity in the Indian banking system was in deficit in October despite the Reserve Bank of India (RBI) discontinuing its mandate to banks to maintain an incremental cash reserve ratio (I-CRR), releasing 50% of the funds impounded on October

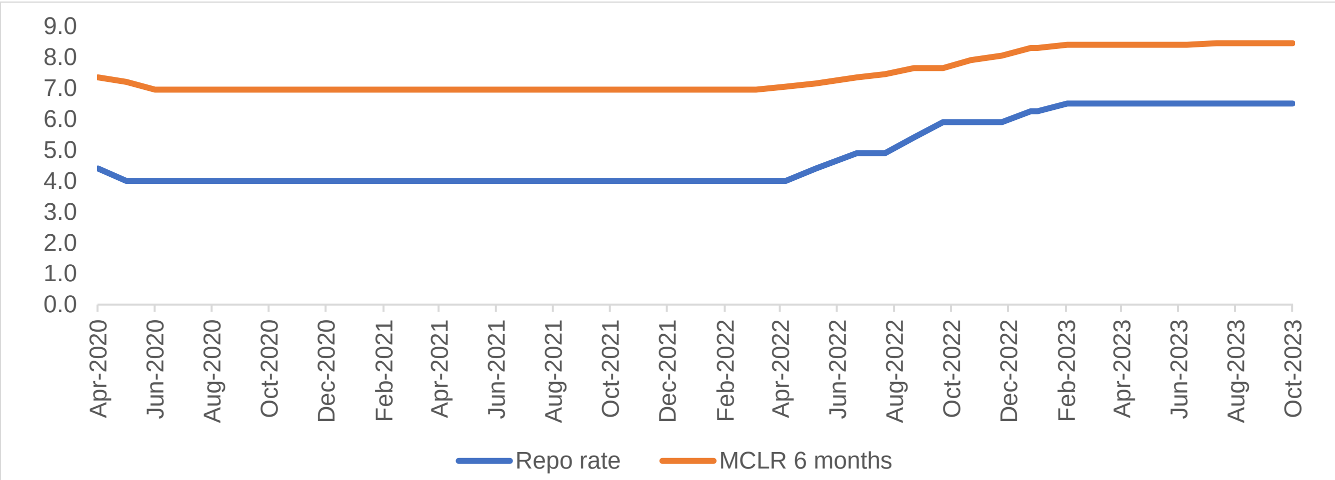
7. Under the I-CRR, banks were required to retain an additional 10% of incremental net demand and time liabilities (NDTL) under the cash credit window. While the central bank released the funds impounded under I-CRR, liquidity remained in deficit because of factors such as open market operations and reduction in government spending. This put pressure on money market rates, which rose further in October. Meanwhile, the RBI maintained the repo rate at 6.5% for the fourth consecutive time at its latest policy meeting. It also maintained its stance of withdrawal of accommodation on account of incomplete transmission of rate hikes and resilient domestic growth.

Liquidity was in deficit for the second straight month in fact widening. The RBI net injected Rs 0.5 lakh crore (0.2% of NDTL via liquidity management operations) compared with 0.2 lakh crore in September (0.1% of NDTL).

Factors that influenced liquidity conditions during the month were:

- Sale of government securities totaling Rs 9,915 crore through open market operations to drain excess liquidity
- 15.2% on-year increase in bank credit in October vs. 12.6% growth in deposits (both excluding impact of HDFC merger
- Lower government spending, as indicated by rise in the government's cash balance with the RBI

Trend in interest rates (%)



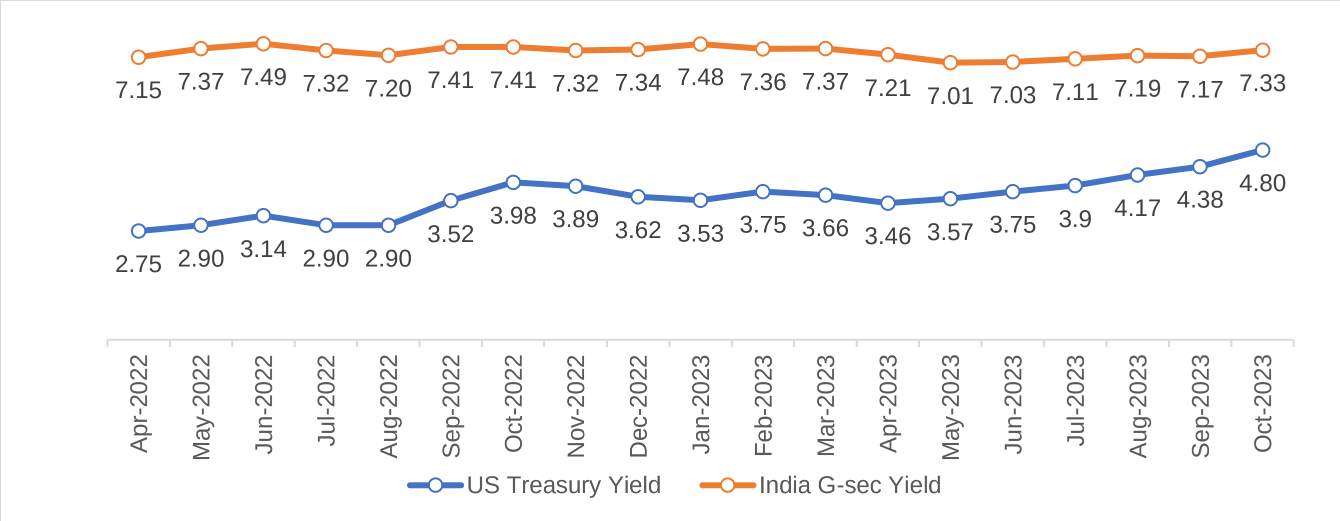
Source: RBI, SBI, CRISIL Consulting

CRISIL Consulting expects the RBI to hold rates steady for the remainder of this fiscal. Assuming normalising inflation and slowing growth, CRISIL Consulting expects the first rate cut in the first quarter of 2024. The rise in inflation in the second quarter was primarily on account of food inflation. While this was outside the Monetary Policy Committee's (MPC) purview, as the rise was because of supply shocks, the MPC will remain vigilant, as elevated food inflation can generalise. Tensions in the Middle East are also a threat to domestic inflation. Though the conflict is currently contained, any escalation can lead to a rise in input costs and supply chain pressures. Meanwhile, CRISIL Consulting expects India's gross domestic product to slow this fiscal, as slowing global growth in the second half of the fiscal will negatively impact exports. The lagged impact of the RBI's rate hikes is projected to also slow domestic demand.

iii. Debt

Continuing its upward trend, yield on the 10-year government bond (7.18% GS2033) moved up significantly in October, averaging 7.33% compared with 7.17% in September. On an end-month basis, the yield was 7.35% versus 7.21%. October also saw the yield reaching its highest level yet this fiscal (7.39% on October 29, 2023). Domestic G-sec yields tracked US treasuries in October, high and volatile crude oil prices and rising liquidity deficit. The rise, however, was capped by lower Consumer Price Index (CPI) inflation print and robust FPI debt inflows.

Yield remained under pressure in September as well



Source: RBI, US Department of the Treasury, CRISIL Consulting

Yields are expected to ease by fiscal-end following the pause in rate hikes, signs of lower inflation and fiscal consolidation moves.

- CRISIL Consulting expects the CPI-based inflation to be lower this fiscal, averaging 5.5% compared with 6.7% in fiscal 2023
- Brent crude is expected to average $80-85 per barrel this fiscal, compared with $95 per barrel last fiscal because of likely slowing global growth. That said, there is an upside to this call since prices have been up sharply in the past few weeks on supply cuts and the Middle-East conflict. It may remain sticky at higher levels
- With the Union Budget 2023-24 giving a thrust to fiscal consolidation and boosting growth via capex, the government's gross borrowing is expected to rise at a slower pace (8.4%) than nominal gross domestic product (GDP) growth (10.5%). In line with this, the budget aims to reduce the fiscal deficit to 5.9% of GDP this fiscal
- The inclusion of government bonds in the JP Morgan Emerging Market Index from June 2024 should also gradually help soften domestic yields

Given all this, CRISIL Consulting expects the 10-year G-sec yield to settle at ~7.0% by March 2024, compared with 7.4% in March 2023.

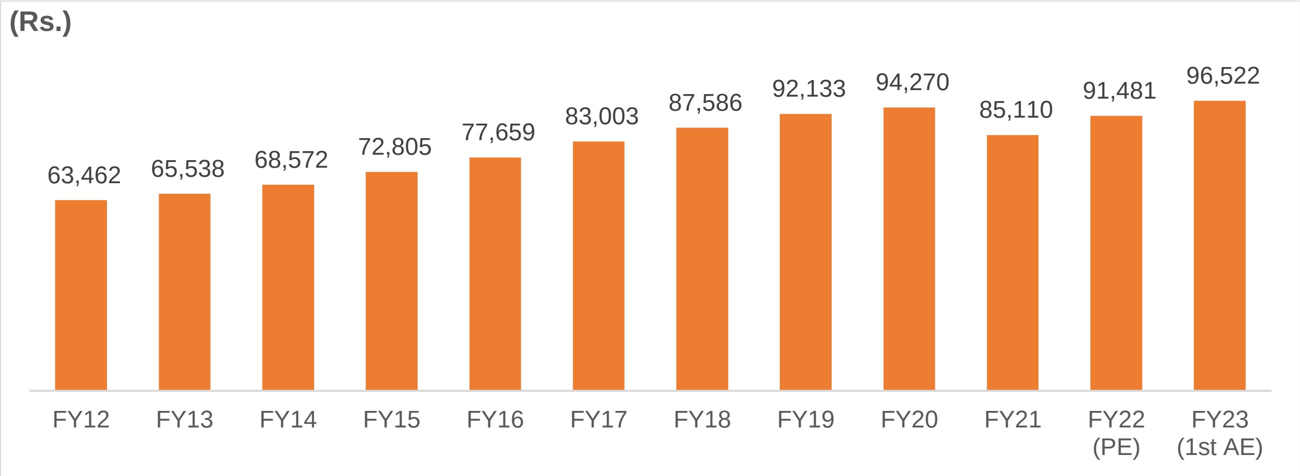
iv. Per capita national income

The national income is the total amount of income accrued to a nation from various economic activities during a specified period which is generally taken as a year's time. National income helps to understand the standard of living of the people residing in a nation. It also helps in economical decision making. The more the national income, the more the economic growth.

India's per capita income is expected to rise to Rs 96,522 in fiscal 2023 from Rs 63,462 in fiscal 2012 with a compound annual growth rate of 3.89%. In fiscal 2023, per capita income is expected to rise by 5.5% against 7.5% in fiscal 2022 although on a lower base of the pandemic-affected fiscal 2021.

Some of the reasons for India's poor national income are its large population, largely agrarian economy, lack of industrial development as well as difference in socioeconomic conditions across the states. However, recent fiscal measures, emphasis on manufacturing through 'Make in India' and various packages for economic revival have helped India to grow faster. Opportunities for employment, increased private consumption along with positive consumer sentiments are expected to support higher GDP growth and per capita national income in future.

All-India per capita NNI at constant prices



(7) Note: PE - Provisional estimates; AE - Advance estimate

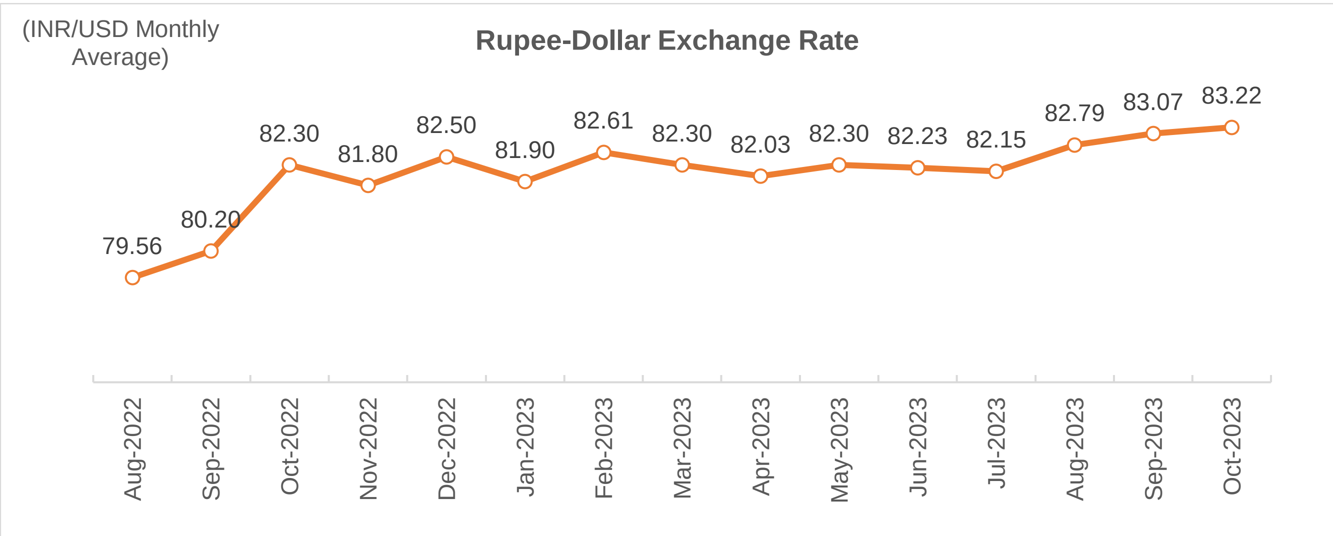
Source: RBI, Economic Survey 2022-23; CRISIL Consulting

v. Currency

Under strain

The rupee averaged 83.22/$ in October compared with 83.07/$ in September. Foreign capital net outflows continued for the second consecutive month, led by a surge in United States Treasury yields and uncertain geopolitical tension from the Israel-Hamas conflict. Despite the weakness, the rupee remains one of the better performing emerging market currencies.

Rupee slumps further in October



Source: Financial Benchmarks India Pvt Ltd, CEIC, CRISIL Consulting

The rupee is likely to average 83 against the dollar by March 2024 compared with 82.3 in March 2023, a mild depreciation on-year. While a lower current account deficit will support the local currency, volatile external financing conditions could exert some pressure.

India's power sector

Review of the sector

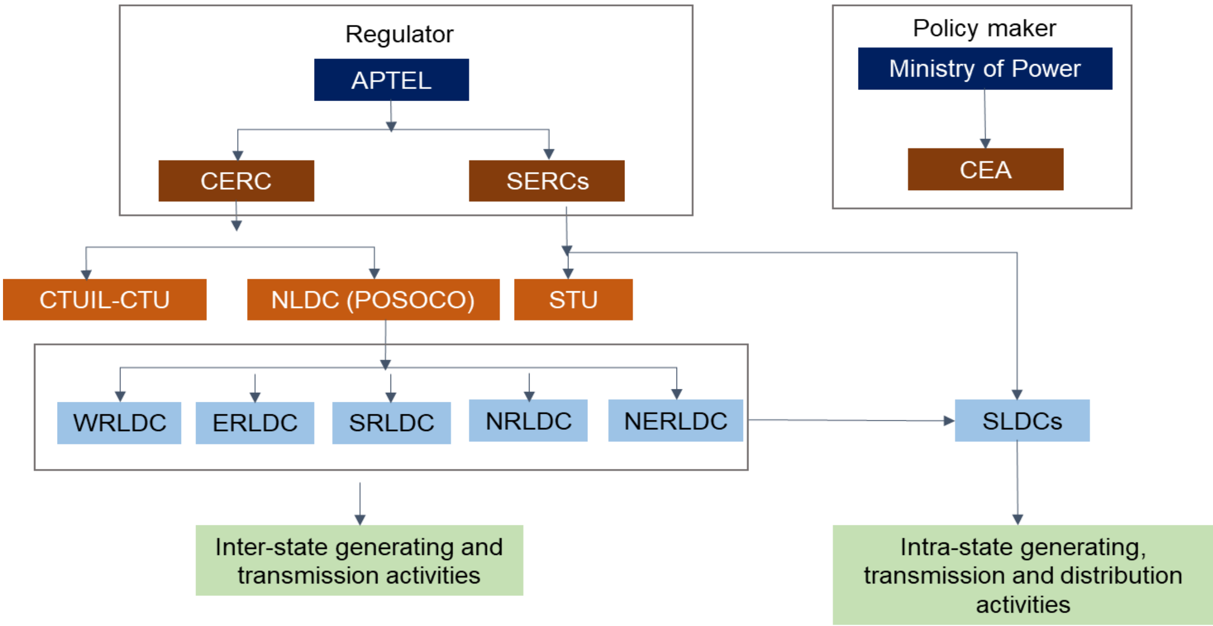
i. Evolution and structure

India's power sector is highly diversified, with sources of power generation ranging from conventional (coal, lignite, natural gas, oil, hydro and nuclear power) to viable, non-conventional sources (such as wind, solar, and biomass and municipal waste).

Transmission and Distribution infrastructure has expanded over the years for evacuation of power from generating stations to load centres through the intra-state and inter-state transmission system (ISTS).

The sector is highly regulated, with various functions being distributed between multiple implementing agencies. The three chief regulators for the sector are: the Central Electricity Regulatory Commission (CERC), the Central Electricity Authority (CEA), and the State Electricity Regulatory Commissions (SERCs).

Institutional and structural framework



(8) *Note:* APTEL - The Appellate Tribunal for Electricity; CERC- Central Electricity Regulatory Commission; CEA - Central Electricity Authority; WRLDC - Western Regional Load Despatch Centre; ERLDC - Eastern Regional Load Despatch Centre; SRDLC - Southern Regional Load Despatch Centre; NRLDC - Northern Regional Load Despatch Centre; NERLDC - North-Eastern Regional Load Despatch Centre; SLDC - State Load Despatch Centre; CTU - Central Transmission Utility; STU - State Transmission Utility

Source: CRISIL Consulting

The Ministry of Power (MoP) works in close coordination with the CERC and CEA. While the CERC's role is more of a regulator for approving tariffs of central utilities, approving licenses, etc., the CEA is primarily a technical advisor focused on planning, i.e., estimating power demand and generation and transmission capacity.

ii. Key policy and regulatory reforms in support of RE growth

The development of grid interactive renewable power has essentially taken off with the Electricity Act 2003, which mandates the SERCs to promote cogeneration and generation of electricity from renewable energy (RE) sources by providing suitable measures for connectivity with the grid and sale of electricity and fix certain minimum percentages for purchase of renewable power in the area of each distribution licensee. In June 2008, a National Action Plan on Climate Change (NAPCC) was announced, which included eight major national missions, with the one on solar energy the Jawaharlal Nehru National Solar Mission (JNNSM) being central. The JNNSM was launched in January 2010, with a target of 20 GW grid solar power. In June 2015, this target was increased to 100 GW by 2022 and a cumulative target of 175 GW of RE capacity addition by 2022 was set which included 100 GW from solar, 60 GW from wind, 10 GW from bio-power, and 5 GW from small hydropower.

In the past 5 years, the government has taken several initiatives to promote RE in the country:

1. Permitting **foreign direct investment** (FDI) up to 100% under the automatic route.
2. **Waiver of ISTS charges** for inter-state sale of solar and wind power for projects to be commissioned by June 30, 2025.
3. Declaration of **trajectory for renewable purchase obligation (RPO)** and energy storage obligation (ESO) wherein trajectory for RPO for wind, hydro purchase obligation (HPO) and other RPOs has been laid down up to fiscal 2030.
4. Setting up of **ultra-mega renewable energy parks** to provide land and transmission to RE developers on a plug-and-play basis.

5. Laying of new transmission lines and creating new sub-station capacity for evacuation of renewable power under the **Green Energy Corridor (GEC)** Scheme.

6. **Standard bidding guidelines** for tariff based competitive bidding process for procurement of power from grid-connected solar PV and wind projects.

7. **Generation-based incentive** (GBI) is being provided to the wind projects commissioned on or before March 31, 2017.

8. Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022 in order to further accelerate the RE programme with the end goal of ensuring access to affordable, reliable, sustainable and green energy for all.

9. **Letter of credit** (LC) or advance payment to ensure timely payment by distribution licensees to RE generators.

10. **National Green Hydrogen Mission** for the development of green hydrogen production capacity of at least 5 million tonne per annum (mtpa) with an associated RE capacity addition of about 125 GW in the country.

11. **Renewable generation obligation** (RGO) issued by MoP for the companies installing new coal/lignite based thermal power plants and having the commercial operation date of the project on or after April 1, 2023. These projects would have to establish/procure an RE capacity of a minimum of 40% of the thermal plant capacity. However, in October 2023, the government issued a draft notification to reduce RGO from existing 40% to 6% for thermal plants commissioned before March 2023 and 10% from April 2023 onwards.

12. **Issued Transmission System plan for integration of over 500 GW RE capacity by 2030** which include 8,120 ckm of high voltage direct current (HVDC) transmission corridors (+800 kV and +350 kV), 25,960 ckm of 765 kV AC lines, 15,758 ckm of 400 kV lines and 1,052 ckm of 220 kV cable at an estimated cost of Rs 2.44 lakh crore. It also includes transmission system required for evacuation of 10 GW offshore wind located in Gujarat and Tamil Nadu at an estimated cost of Rs 0.28 lakh crore.

13. **Issuance of bidding trajectory for renewable power bids** aims to achieve a target of 280 GW solar capacity (of the 500 GW of installed capacity from non-fossil sources) by 2030. The bids for 40 GW of solar energy capacity per annum, of the total trajectory of 50 GW RE capacity are to be issued each year from fiscal 2024 through fiscal 2028.

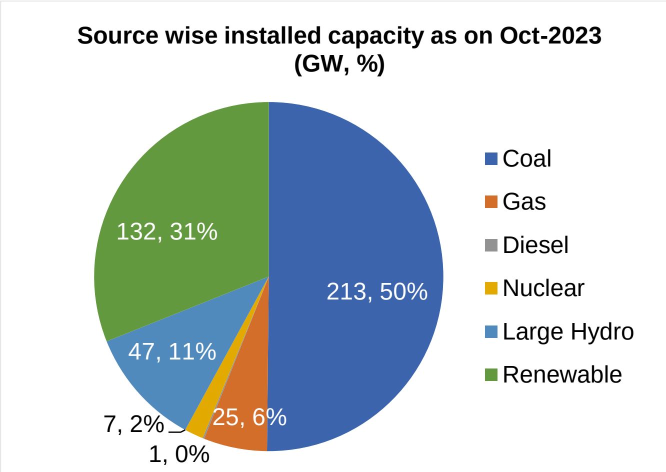
14. **The viability gap funding for Battery storage** proposed in the budget for fiscal 2024 with capacity of 4000 MWh. An outlay of Rs 3,500 crore is expected by the central government to support the VGF. Central government also issued guidelines to promote pump storage projects.

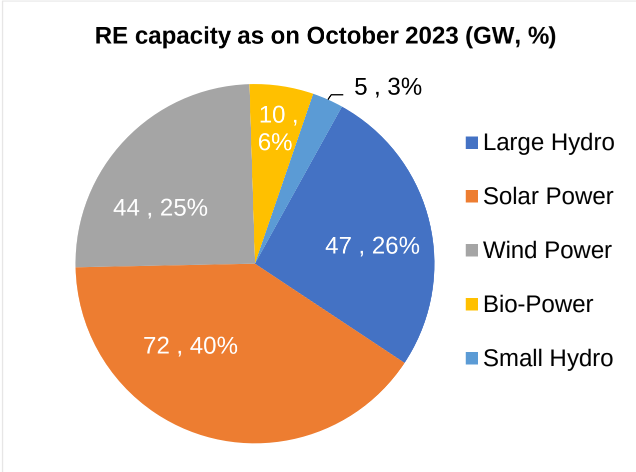
Review of power demand-supply scenario in India

i. Power supply mix

The total installed generation capacity as of October 2023 was ~426 GW, of which ~89 GW of capacity was added over fiscals 2017-23. The overall installed generation capacity has grown at a CAGR of 6.8% over fiscals 2012– 23. Coal and lignite-based installed power generation capacity has maintained its dominant position over the years and accounts for ~50% as of October 2023. However, RE installations (including large hydroelectric projects), have reached ~179 GW capacity as of October 2023, compared with 63 GW as of March 2012, constituting ~41% of total installed generation capacity as of date. This growth has been led by solar power, which rapidly rose to ~72 GW from 0.9 GW over the same period.

Details of installed capacity

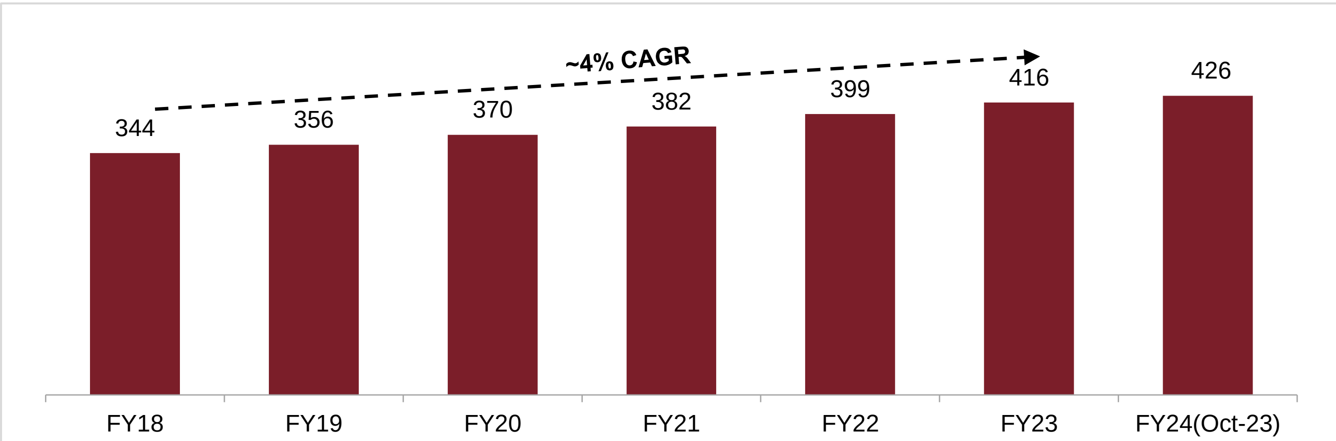




(9) *Source: CEA, CRISIL Consulting*

The Electricity Act, 2003 and competitive bidding for power procurement, implemented in 2006, encouraged the participation of private market participants that have announced large capacity additions. As a result of competitive bidding, capacities of ~22 GW (fiscals 2014-23) were added by the private sector, which accounted for 73.0% of the total additions. Moreover, a strong government thrust on RE and decreasing tariffs (with falling capital costs and improving efficiency) also supported RE capacity additions. Investments from marquee foreign funds have also accelerated growth into the sector.

Evolution of all India installed generation capacity (GW)

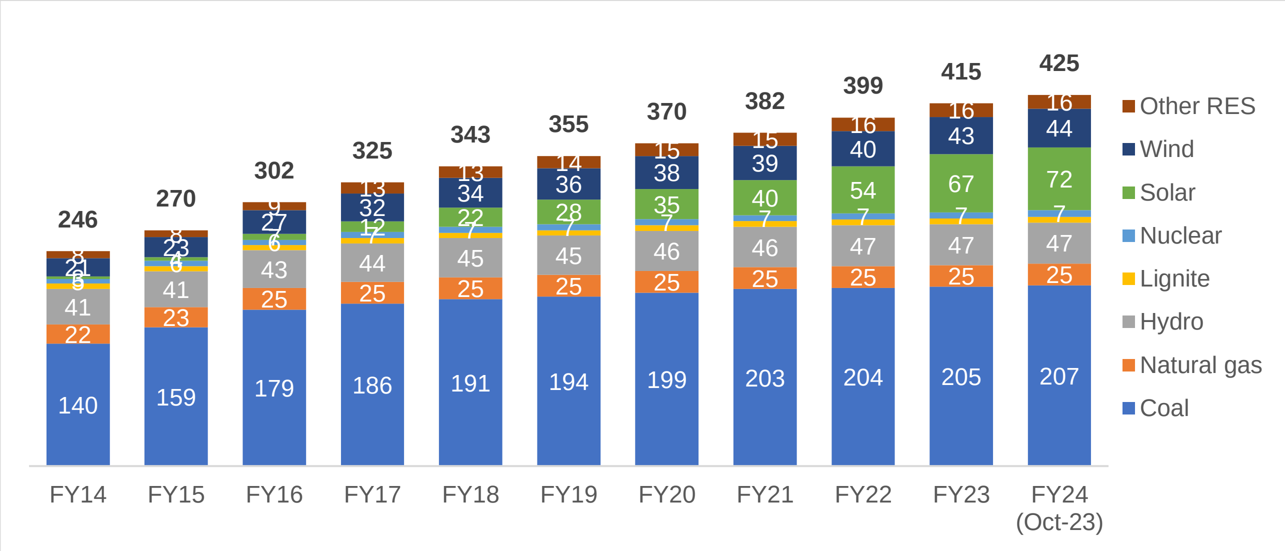


(10) Note: 3.9% CAGR is for capacity additions growth between FY18 and FY23

Source: CEA, CRISIL Consulting

In 2014, the GoI set a target to achieve 175 GW of renewable energy in India by fiscal 2022, with a focus on solar energy (100 GW) and wind energy (60 GW), in addition to other renewable energy sources such as small hydro projects, biomass projects and other renewable technologies (~15 GW).

Fuel-wise installed capacity in past 10 years (GW)



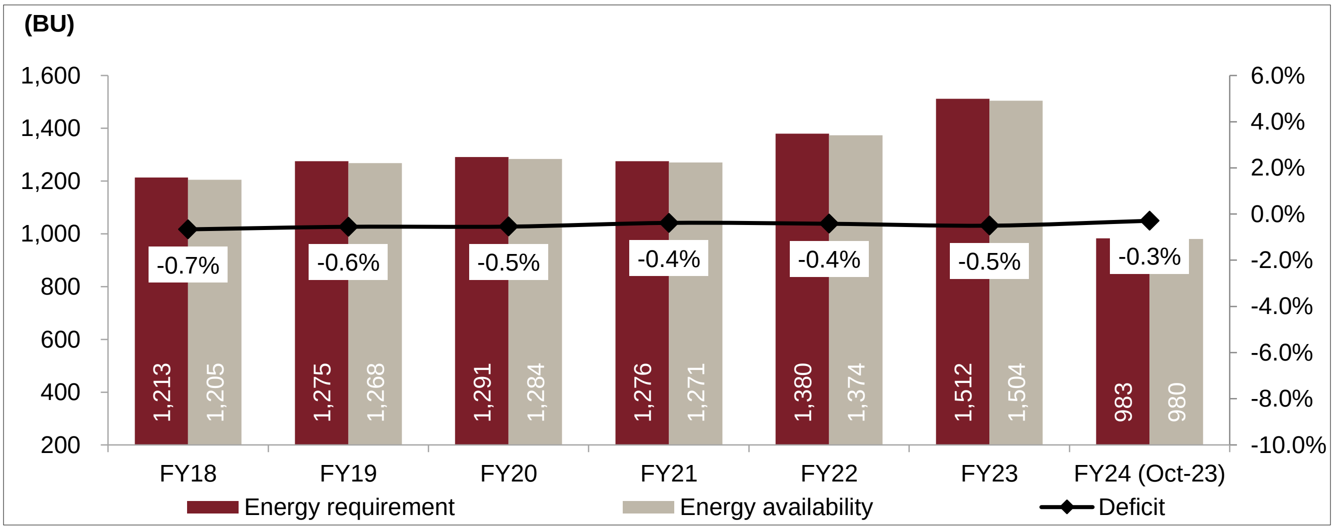
Note: Other Renewable Energy Sources (RES) includes small hydro; Excl. diesel

Source: CEA, CRISIL Consulting

ii. Review of power demand-supply gap

India's electricity requirement has risen at a CAGR of ~4.5% between fiscals 2018 and 2023, while power availability rose at ~4.6% CAGR on the back of strong capacity additions, both in the generation and transmission segments. As a result, the energy deficit is declined to 0.5% in fiscal 2023 from 0.7% in fiscal 2018. Strengthening of inter-regional power transmission capacity over the past five years has supported the rapid fall in deficit levels as it reduced supply constraints on account of congestion and lower transmission corridor availability, thereby lowering the deficit to 0.6% in fiscal 2019. For fiscal 2022, the average energy deficit across states and UTs stood at 0.4%.

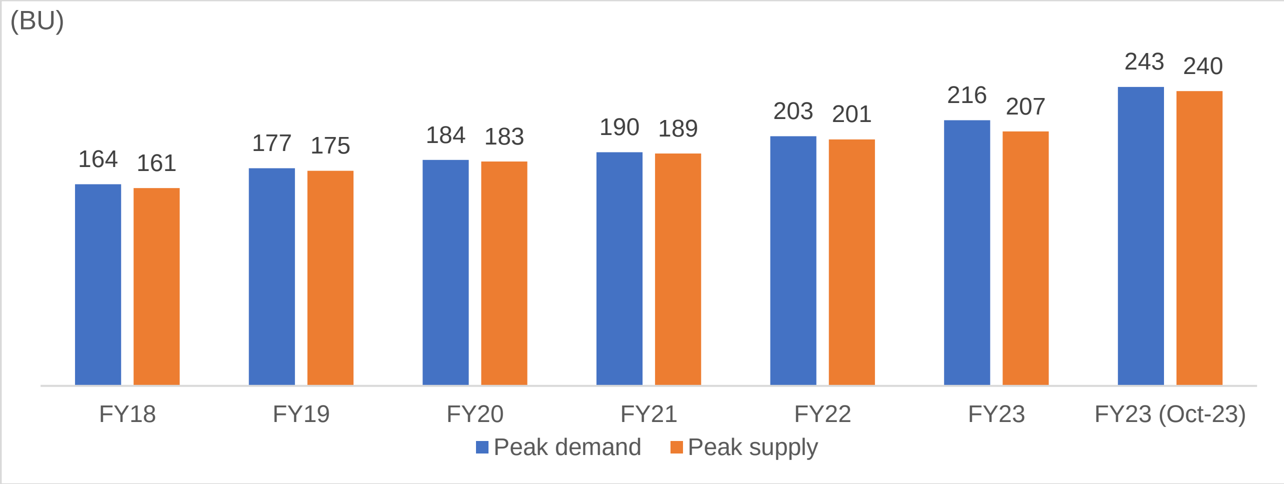
Aggregate power demand supply (in billion units, or BUs)



Source: CEA, CRISIL Consulting

Peak electricity demand in India has grown from 164 GW in fiscal 2017 to 216 GW in fiscal 2023 clocking an average growth rate of 5% in the past six years. Peak demand has managed to constantly rise over the past years, however, during fiscal 2021 which witnessed base demand falling into negative territory. Before the pandemic, electricity demand in India usually peaked in August-September, mostly covering the monsoon season. This spike in peak demand was primarily due to an increase in domestic and commercial load, mainly space cooling load due to high humidity conditions. However, post pandemic, annual peak demand is occurring in the summer season (April-July), due to extreme heatwave conditions. Peak demand touched record high levels of 216 GW in fiscal 2023 during April 2022, attributed to an increase in cooling demand as intense summers scorched several regions of the country. Generation has struggled to keep up with the booming demand, resulting in an increase in peak deficit to 4.3% in fiscal 2023 (up to February) as compared with 1.2% for the same period in fiscal 2022.

Peak power demand and supply



Source: CEA, CRISIL Consulting

Financial position of transmission and distribution (T&D) sector entities

Distribution companies

As per the 11th Integrated Rating Report on Power Distribution Utilities for fiscal 2022, the financial deficit of power distribution sector was Rs 53,000 crore in fiscal 2022, a reduction of ~46% compared to fiscal 2020. This improvement was driven by rising demand for power and a 50% improvement in the ACS-ARR gap from 79 paise per unit in fiscal 2020, which reduced to only 40 paise per unit in fiscal 2022. The improvement in the absolute cash adjusted gap can be attributed to improvement in the profit before tax, subsidy disbursement and collection from trade receivables.

Further, the total debt of discoms increased by 24%, from Rs 5.01 lakh crore in fiscal 2020 to Rs 6.20 lakh crore in fiscal 2022. However, the pace of debt accumulation slowed down significantly. In fiscal 2022, the debt increased by Rs 33,800 crore, which is 60% less than the Rs 85,500 crore increase in fiscal 2021.

Trade payables to generation companies (gencos) and transmission companies (transcos) increased by 10.5% from Rs 2.55 lakh crore in fiscal 2020 to Rs 2.81 lakh crore in fiscal 2022. This was driven by rising power purchase costs, as the days payable remained constant at 163 days. Trade receivables, on the other hand, jumped by 17% from Rs 2.07 lakh crore to Rs 2.42 lakh crore during the same period. This was due to a 10% increase in revenue from operations, which resulted in days receivable increasing from 134 to 142 days. Part of the receivables accumulated during fiscal 2021 were not collected in fiscal 2022, as many C&I customers faced COVID-19 induced business disruption. This resulted in higher trade receivables in fiscal 2022 compared to fiscal 2020.

The trade receivables for SECI improved to 49 days in fiscal 2022 compared to 57 days fiscal 2021 whereas for NVVN, the trade receivables increased to 136 days in fiscal 2022 compared to 81 days fiscal 2021. Rajasthan discoms did not pay NVVN a certain amount related to delay in inter-state scheduling (LTA) of power generated and outstanding dues towards dispute in trading margin. These matters were pending as on 31st March 2022.

Transmission companies

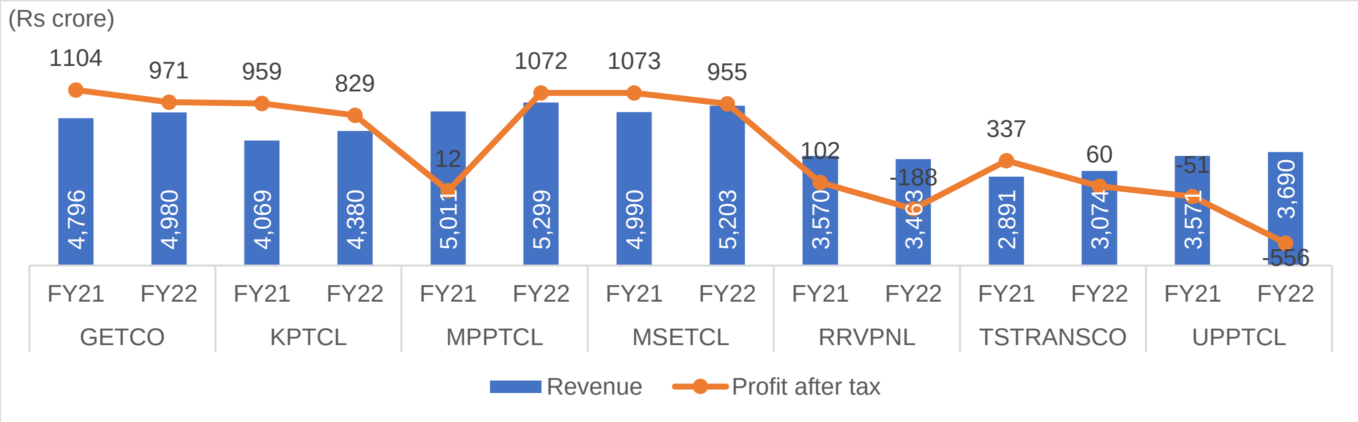
As per the Report on Performance of State Power Utilities for fiscal 2022, transmission utilities together incurred a profit of Rs 4,896 crore, with 15 out of 22 utilities registering profit. GETCO (Rs 971 crore) and MPPTCL (Rs 1,072 crore) were among the top profit earners in transmission utilities. However, RRVPNL (Rs 188 crore), JUSNL (Rs 430 crore), HPPTCL (Rs 170 crore), MePTCL (Rs 82 crore), UPPTCL (Rs 556 crore) and MSPCL (Rs 32 crore) reported losses.

Net worth for transmission utilities stood at Rs 1,01,843 crore and equity at Rs 64,052 crore as on March 31, 2022, as compared with Rs 93,793 crore and Rs 66,925 crore, respectively, as on March 31, 2021.

Total borrowings by transmission utilities reduced by Rs 23,699 crore, from Rs 1,26,611 crore as on March 31, 2021, to Rs 1,02,912 crore as on March 31, 2022.

Trade receivables for transmission utilities increased from Rs 25,095 crore to Rs 32,216 crore, while receivables in days increased from 218 days to 288 days.

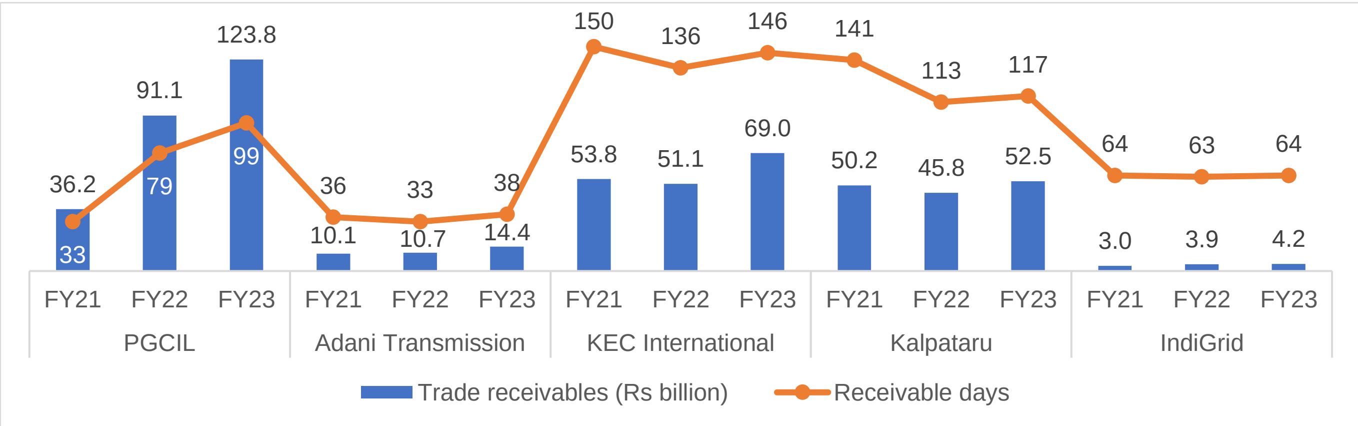
Performance of state power transmission utilities



Source: PFC's Report on Performance of State Power Utilities for FY22; CRISIL Consulting

Trade receivables of interstate transmission companies such as PGCIL has grown by more than 3 times from fiscal 2021 to fiscal 2023. It has registered a CAGR of 85% over the last 3 years. Adani Transmission and KEC also registered y-o-y growth of 34% and 35%, respectively in fiscal 2023. IndiGrid's trade receivables are significantly lower than other transmission companies. While days receivables of Adani Transmission are the lowest amongst all followed by IndiGrid. Days receivables of PGCIL has increased from 33 days in fiscal 2021 to 99 days in fiscal 2023. With improved policy support through LPS Rules 2022, it is expected that the trade receivables of Inter-state transmission companies will remain within acceptable range.

Trade receivables of utilities operating in interstate transmission infrastructure



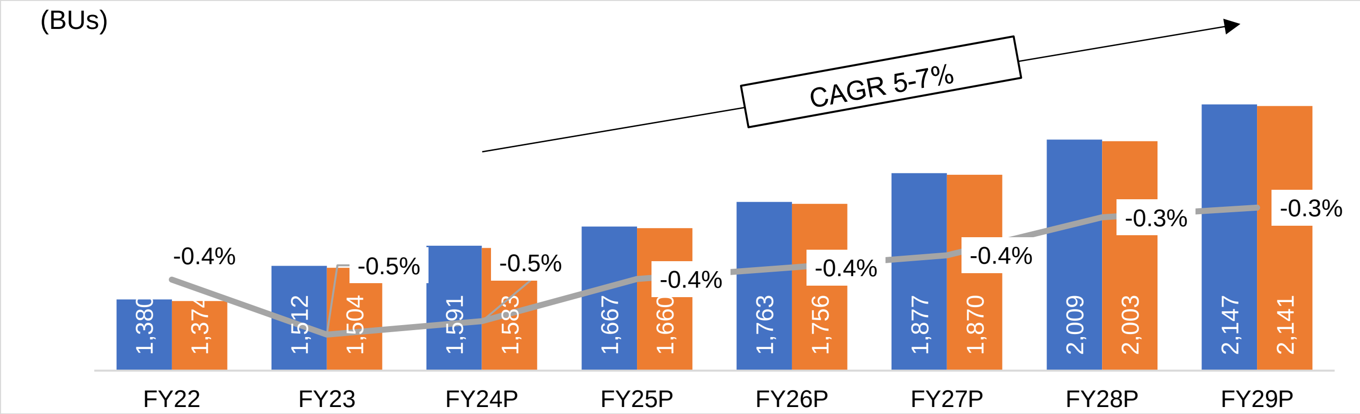
Source: Companies' Annual reports; CRISIL Consulting

Demand-supply outlook

ii. Energy demand-supply forecast, fiscals 2024 to 2029

CRISIL Consulting expects energy demand to clock 5-7% CAGR over fiscals 2024 to 2029, significantly higher than the ~3.8% CAGR over the past 5 years. CRISIL Consulting expects all-India deficit to decline from 0.5% in fiscal 2023 to 0.3% by fiscal 2029 on account of increasing renewable capacity additions, transmission line augmentation, and improvement in distribution infrastructure.

Energy demand outlook (fiscals 2022-29) in BUs

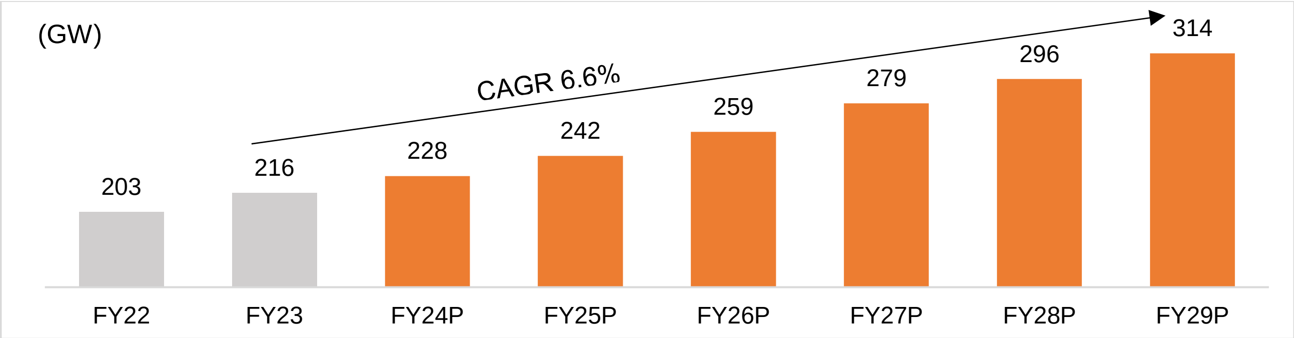


P: Projected, Source: CEA, CRISIL Consulting

iii. Peak demand outlook

The constant rise in peak demand can be attributed to the economic growth, seasonal vagaries, and an increasing daily average temperature that India has experienced over the last decade leading peak demand to touch 224 GW in June 2023. Peak demand is expected to grow at annual average 6-7% over FY24-FY29 to reach nearly 367 GW by FY29 with expected persistent high temperatures, rising urbanization, economic growth and infrastructure push leading to higher power consumption.

Peak demand to increase by 95-100 GW between fiscals 2023 and 2029 to cross 300 GW



P: Projected; Source: CEA, CRISIL Consulting

iv. Expected capacity installation by fiscal 2029

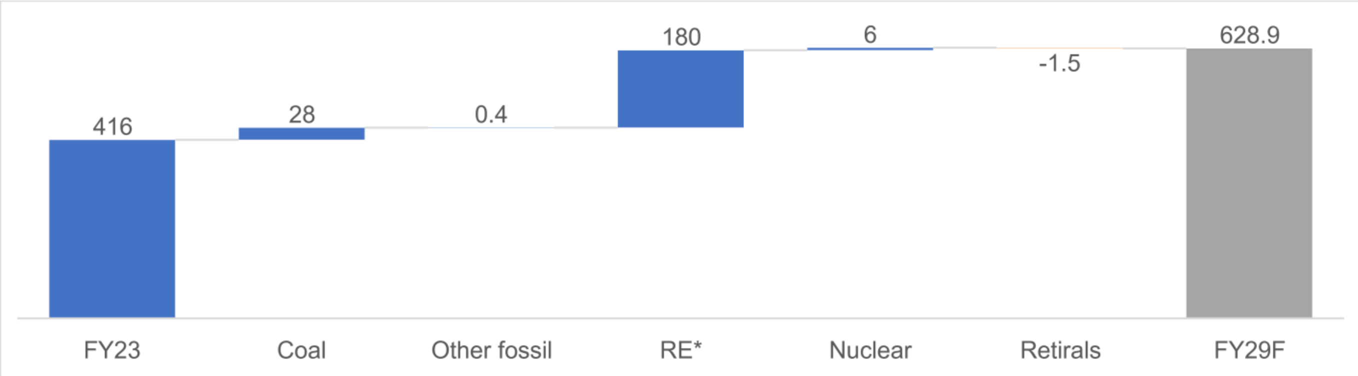
A thermal power generation capacity of ~27 GW was under construction as of August 2023. However, CRISIL Consulting expects only 28-30 GW of coal-based power to be commissioned over fiscals 2024-29. In addition, 16-18 GW of hydro including pumped storage projects (PSP) and 7-8 GW of nuclear capacities are expected to be added. National Thermal Power Corporation (NTPC) will dominate capacity additions, with 8.4-8.8 GW being added over the next five years. NTPC also announced five brownfield expansion projects with a cumulative capacity of ~6.1 GW in fiscal 2023, for which tendering is expected to be carried out over fiscals 2023-25, whereas commissioning is expected to be beyond the next five years. On the other hand, the contribution of private players to conventional capacity additions over fiscals 2024-29 is expected to be 7.8-8.0 GW as compared with ~6.5 GW over the past five years. Capacity additions of 17-18 GW by the state gencos are expected over fiscals 2024-29, majority of which are greenfield projects aimed at leveraging on existing land banks, especially by states such as Uttar Pradesh, Tamil Nadu, Andhra Pradesh, and Telangana.

Installed generation capacity across fuels reached 426 GW as of October 2023 during fiscal 2024, on the back of healthy renewable capacity additions of ~56 GW over fiscals 2018-23 and is expected to reach 620-630 GW by fiscal 2029 as renewable capacity additions (solar, wind and hydro) nearly reach to 170-180 GW over the next five years. Storage-based capacity, consisting of pumped hydro and battery energy storage systems, is likely to reach 36-38 GW by fiscal 2029, driven by PSP and battery energy storage system (BESS) capacity additions of 8-9 GW and 25-26 GW, respectively, over fiscals 2025-29. Also, India's renewed ambitious target of reaching 500 GW of non-fossil fuel capacity by 2030 is likely to involve enhancement of the hydro capacity pipeline to support core renewables such as solar and wind.

The impact of industrialization on big corporates would require transition to environmentally sustainable practices, specifically with regards to reducing carbon emissions and being compliant with Environment, Social and Governance (ESG) standards. This would require companies to expand or install RE based captive power plants which would result in additional capacity installation by private players.

CRISIL Consulting expects 130-140 GW of solar capacity addition in the next five years, followed by 35-38 GW through wind. Growth in capacity additions will be driven by government support, with an aggressive tendering roadmap outlined by the government. A few external factors such as an improvement in technology (floating solar and module efficiency), low-cost financing and policy push are enablers.

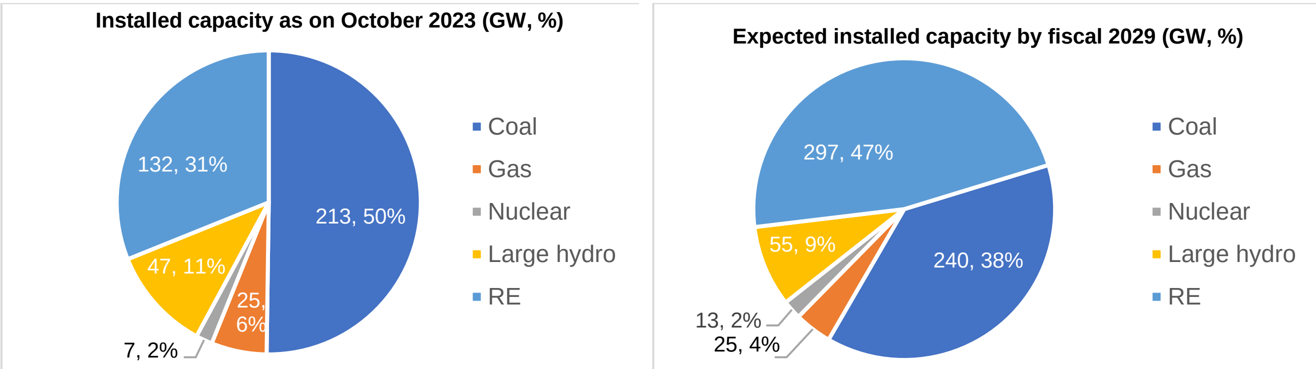
All India installed estimated capacity addition by fiscal 2029 (in GW)



*Renewable Energy (RE) includes solar, wind and large hydro; F: Forecast
Source: CEA, CRISIL Consulting

The expected installation pipeline would increase the share of renewable capacity (including large hydro) from 42% in October 2023 of fiscal 2024 to ~56% in fiscal 2029. The share of coal would reduce to 38% from 50% currently, over the same period.

Breakup of existing installed and estimated capacity by FY29

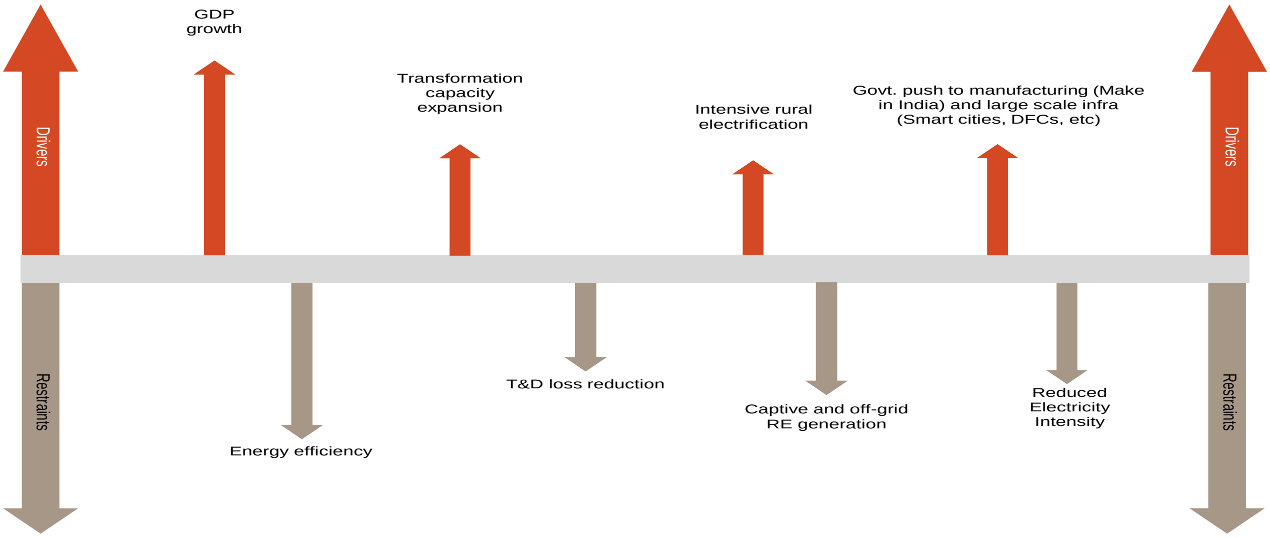


Renewable Energy (RE) for 2023 includes solar, wind, biopower and waste to energy
Source: CEA, CRISIL Consulting

v. Long-term drivers and constraints for demand growth

Power demand is closely associated with a country's GDP. A booming economy automatically leads to a surge in power demand. India is already the fastest-growing economy in the world, with average GDP growth of 5.5% over the past decade. The trickle-down effect of Aatmanirbhar Bharat relief package, government spending on infrastructure through the National Infrastructure Pipeline, commissioning of the dedicated freight corridors, expansion of the services industry, rapid urbanisation, and increased farm income from agriculture-related reforms are key macroeconomic factors fostering power demand. Significant policy initiatives such as 24x7 power for all, Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) scheme to provide electricity connections to all households, green energy corridor to facilitate evacuation of RE power, green city scheme to promote the development of sustainable and eco-friendly cities, Production-Linked Incentive (PLI) scheme and low corporate tax rates among others have aided large scale manufacturing in India, further boosting power demand in the country.

Factors influencing power demand



Source: CRISIL Consulting

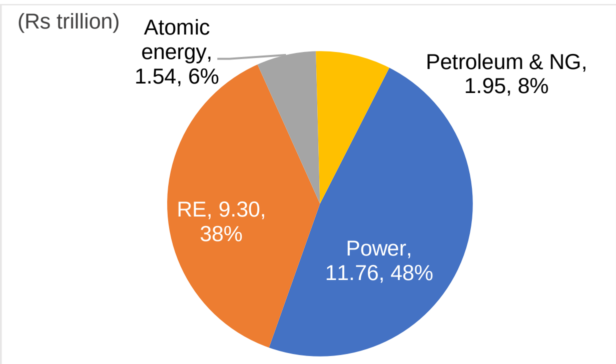
Proposed investments in the power sector

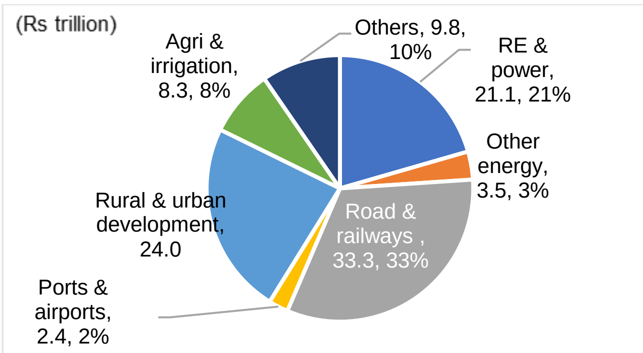
i. National infrastructure pipeline

The National Infrastructure Pipeline (NIP) is a roadmap to boost infrastructure across India and showcase investment opportunities in the domestic infrastructure sector, improve project preparation and attract investments into the country. The NIP aims to raise investments for key greenfield and brownfield projects across all economic and social infrastructure sub-sectors on a best-effort basis.

A total investment of ~Rs 102 lakh crore has been proposed between fiscals 2020 and 2025 out of which around 24% has been allocated to the energy sector. The allocation of projected capital expenditure is as follows:

Proposed investment in energy sector under NIP & the share of key infrastructure sectors





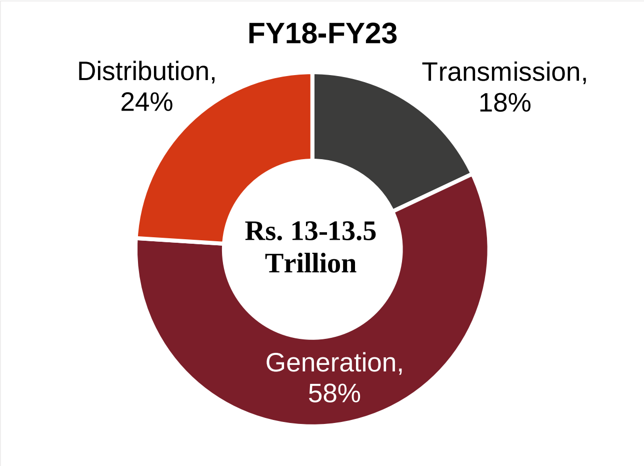
NG: Natural gas

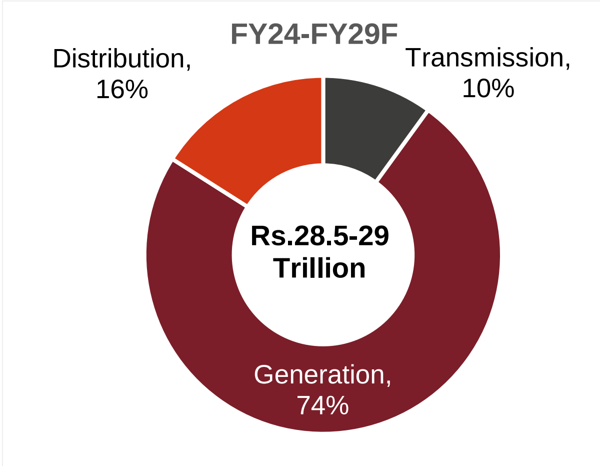
Source: CEA, CRISIL Consulting

ii. Investments in generation, transmission, and distribution infrastructure

CRISIL Consulting projects investments of Rs 28.5-29 trillion in the power sector in the next six years. The share of investments in generation is expected to increase and that of distribution to decrease over the next six years compared to fiscal 2018-23.

Segment-wise break-up of total investments shows dominance of the generation segment





F: Forecasted; The numbers do not include private sector investments in transmission and distribution sector
Source: CRISIL Consulting

Investments in the generation segment are expected to triple from Rs ~7.6 trillion to ~Rs 21.5-22 trillion over the next six years driven by renewable and conventional capacity additions (including PSP and BESS) of over 250 GW. Investments in distribution to increase by 30% over six five years at Rs 4 trillion, on the back of reforms-based and results-linked Revamped Distribution Sector Scheme (RDSS) envisaged over fiscals 2023 to 2026. Transmission sector investments will grow by ~8% to Rs 2.6 trillion, led by upcoming ISTS projects and Green energy corridor projects.

Over the next six years, investments in generation will be led by renewable energy capacity additions, followed by investments in conventional generation and Flue Gas Desulfurization (FGD) installations, indicating a shift in investment flow towards enhancing clean energy supply. Capacity addition from RE sources is expected to be 165-170 GW over fiscals 2024 to 2029, and ~29 GW from coal-based plants sources over the same period. Investments in RE capacity, which are expected to triple over the next six years, in line with capacity additions, will constitute over 77% of overall generation investments. Investments in the segment will be bolstered by conventional generation investments over the next six years as new coal-based plants will be set up to meet the fast-growing peak load demand and increased installation of emission controlling FGD equipment in thermal stations. Total generation investments are expected to grow ~4x over fiscals 2024 to 2029 compared with fiscals 2018 to 2023.

To service a large generation installed base, the estimated investment in the transmission sector is expected to cumulatively reach Rs ~2.6 trillion for fiscal 2024-29. Investments in the sector are expected to be driven by the need for a robust and reliable transmission system to support continued generation additions and the strong push to the renewable energy sector as well as rural electrification. Also, strong execution capability coupled with healthy financials of PGCIL will drive investments.

State distribution companies, the major drivers of investments in the distribution space, have been reeling under severe financial burden for the last few years on account of collection inefficiencies and mounting receivables to power generation companies on account of reduced economic activity as a fallout of the Covid-19 pandemic. Although the government's relief package providing loans worth Rs 1.35 trillion by Power Finance Corporation (PFC) Ltd / Rural Electrification (REC) Ltd for clearing power generators' dues eased discoms' liquidity problems in the second half of the fiscal by aiding payments of dues to gencos', the impact was short-lived with dues on the rise again post March 2021. The relief package is also expected to have worsened the debt profile of discoms, forcing them to curb investments over the medium term.

In the Union Budget 2021-22, the government announced a RDSS worth Rs 3.04 trillion for state discoms, to be allocated over the next five years.1.65 trillion worth of DPRs have been sanctioned by nodal agencies (PFC and REC) as of June 2022. While the amount is sanctioned, disbursement under the scheme will be contingent upon work undertaken that was proposed under DPR. Fulfilment of the conditions, which primarily involve operational efficiency parameters, strengthening of distribution infrastructure, and regulatory compliance, will entail significant investments in the distribution segment.

Non-fossil fuel generation primarily includes renewable generation, in which investments are set to nearly triple to Rs 14.5-15.5 trillion over fiscals 2024 to 2029 as compared to Rs 4.4 trillion over fiscals 2018 to 2023, in line with a similar growth in renewable capacity additions over the period. Investments in nuclear capacities, also considered as clean sources of energy due to lower emissions as compared to coal, are expected to reach Rs 1.2 trillion over the next six years as compared to Rs 0.8 trillion in the past six years, driven by an uptick in capacity addition. With focus on emission reduction from operational thermal plant developers, FGD installation likely to hasten over the next six years.

Current state of discom financial health

(i) Review of AT&C loss and ACS-ARR gap of state discoms

Distribution is the final and critical link in the power sector value chain. However, the financial position of the distribution sector has significantly deteriorated over the past decade owing to irregular tariff hikes, high aggregate technical and commercial (AT&C) losses, and delays in subsidy payments by state governments. This has adversely impacted power offtake by discoms and led to delays in payments to generation companies. Both the financial and operational performance of discoms started to improve post implementation of Ujwal DISCOM Assurance Yojana (UDAY), but the situation reversed and worsened again once the scheme ended in March 2019.

Under the UDAY scheme, states took over 75% of discom debt as on September 30, 2015, over a period of two years – 50% in fiscal 2016 and 25% in fiscal 2017. The balance 25% was to be converted by lenders into loans or bonds at an interest rate not more than the banks' base rate plus 10 basis points. Alternatively, this debt could be fully/partly issued by the discoms as state guaranteed bonds at prevailing market rates, which were to be equal to or less than the banks' base rate plus 10 bps. The scheme envisaged reduction of the cost of power through measures such as additional supply of domestic coal (at notified prices), coal linkage rationalisation through swap agreements, supply of washed and crushed coal, and supply of cheaper power from NTPC and other central public sector units (as part of central allocation of power to states), if available through a higher plant load factor. Implementation was mixed with policy-level support but limited traction on the ground. While coal linkage rationalisation under the SHAKTI scheme did benefit several projects, and domestic supply also improved, the effect has been temporary or partial.

Improvements in operational efficiency

Operational efficiency improvements were planned through smart metering, upgradation of infrastructure (including transformers), and use of energy-efficient LED bulbs, pumps, and other heavy electric equipment. Through GoI schemes such as Integrated Power Development Scheme (IPDS) and Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), additional/priority funding (depending on achievement of operational milestones) was being made available to target reduction in AT&C losses. However, the earlier target of 15% by the end of fiscal 2019 from ~23.7% in fiscal 2016 was not achieved.

AT&C losses reduced to 16.4% in fiscal 2022, significantly lower than 20.8% in fiscal 2020 and 22.3% in fiscal 2021. AT&C losses were considerably high in fiscal 2021, as COVID-19 adversely impacted both billing and collection efficiencies. However, AT&C losses reduced by ~3% even when compared with the pre-pandemic level (fiscal 2020). The AT&C loss further reduced to 13.5% in fiscal 2023 as per the provisional data compiled by MoP.

The AT&C loss trend indicates that the improvement was driven by collection efficiency, which improved from 93.1% in fiscal 2020 to 97.2% in fiscal 2022. On the other hand, billing efficiency remained unchanged at 85.9% during the period.

The average cost of supply (ACS) and average revenue realized (ARR) gap for the states narrowed to Rs 0.49 per kWh in fiscal 2018 from Rs 0.58 per kWh in fiscal 2017 but expanded to Rs 0.83 per kWh at the end of fiscal 2019, indicating reversal of some of the gains achieved through reduction in power purchase costs, interest burden and AT&C losses over the past three years. The cash-adjusted ACS-ARR gap stood at Rs 0.79 per unit as of March 2020 and widened further to Rs 0.89 per unit as of March 2021, indicating further deterioration in discoms' financial profiles. However, the gap narrowed to Rs 0.40 per unit as of March 2022, reflecting improved financial conditions of reporting discoms.

The power distribution sector suffers from high trade payables with days payable averaging 160 days nationally, as opposed to the benchmark of 45 days specified in LPS Rules, 2022. With the sector making losses and facing liquidity crunch, reducing trade payables remains challenging.

As a result of operational inefficiencies and financial losses incurred over the years, state discoms have accumulated a significant debt burden. After completion of UDAY scheme, discoms' debt rose over fiscals 2020 and 2021 as revenues fell on account of weak power demand. Total debt of state discoms increased 24% from Rs 5.01 trillion in fiscal 2020 to Rs 6.20 trillion in fiscal 2022. If current fiscal and operational issues persist, CRISIL Consulting expects total debt across state discoms to increase to Rs 9-10 trillion by fiscal 2027.

(ii) Distribution reforms planned by the government to revive the sector

The government plans to implement several policies to resolve the issues of the distribution segment, as it impacts the entire value chain. Key announcements pertaining to this are as follows:

15. *Rs 3 trillion RDSS aiming to improve operational and financial parameters of discoms* — In Union Budget 2021-22, the GoI announced the RDSS with an outlay of Rs 3.04 trillion, partly funded by the GoI to the tune of Rs 976 billion, aimed at reducing financial stress across discoms. The package, slated to be distributed over the next five years, will subsume other schemes (DDUJY and IPDS) under its ambit. As has been the case with the Aatmanirbhar Bharat discom liquidity

package, PFC and REC will be the key nodal lenders for disbursal of funds to discoms. The GoI has laid down the guidelines and criteria for availing funding under the scheme, which aims to improve operational efficiency, distribution infrastructure, and governance and compliance standards of state discoms. The key criteria proposed in the scheme are explained below.

Key criteria of RDSS

Parameter	Target/objective under RLRDS	Current status	Potential and Impact
ACS-ARR	National target of zero by fiscal 2025	Avg. ACS-ARR gap has increased from Rs 0.55 per unit in fiscal 2017 to Rs 0.77 per unit in fiscal 2022 due to worsening in fiscal 2021. Exception states were Gujarat, UP, Rajasthan, Andhra Pradesh and Maharashtra, which saw ACS ARR reduction in fiscal 2022 over fiscal 2017	Stringent cost-cutting through shift towards cheaper sources of power such as RE, efficient management of operating costs, capital support through equity infusion and access to low-cost debt is required to be combined with timely tariff hikes in order to achieve the target. Weaker states are likely to remain laggards, however efficient states such as Gujarat Maharashtra and Andhra Pradesh could lead the pack, offsetting performance of weak states.
AT&C losses	National target of 12-15% by fiscal 2025	AT&C losses of states under consideration reduced from 23.2% in fiscal 2017 to 20.7% in fiscal 2022, incentivized by UDAY reforms and improvement in billing and collection efficiency. However, certain states such as Telangana, and Madhya Pradesh have seen an increase in losses. The losses for these states after increasing to 24.2% in fiscal 2021 due to pandemic impact on collection efficiency in fiscal 2021, are likely to moderate to 13-14% by fiscal 2027.	Improvement in billing efficiency through strengthening of distribution network, installation of smart meters, and theft reduction, as well as increase in collection efficiency through pro-consumer payment mechanisms, incentivising timely payments, and improving collection systems could be instrumental in meeting the target. Weaker states such as Uttar Pradesh, Bihar, Madhya Pradesh and Andhra Pradesh, will have to exhibit substantial improvement for achieving the target
Tariff Reforms	Cost-reflective tariff to ensure profitability	Historically, tariff hikes have not been in line with increase in power purchase costs (PPC), resulting in under-recovery of costs for state discoms and affecting their profitability.	Cost-reflective tariffs could ensure fair recovery of costs through increased revenue, resulting in improved profitability. However, higher tariffs could translate to increased cost burden on consumers, particularly industrial and commercial categories that are already paying higher tariffs due to cross-subsidisation.
Direct Benefit Transfer (DBT)	Direct transfer of the subsidy to end-consumers	Currently, subsidy is transferred by state governments to respective discoms for power supplied to subsidised consumer categories, typically agri. consumers, with subsidy received-to-booked ratio at 99% in FY22 for states under consideration. However, certain states such as Madhya Pradesh, Karnataka and Telangana are known to have weaker performance than peers. The ratio is expected to remain stable at over 99% considering RDSS mandate of compulsory payment of pending subsidy.	DBT is expected to shift financial burden from discoms to consumers and state governments, with subsidised consumers having to pay designated tariffs, even as state govt. has to make timely direct transfers to concerned consumers. However, states with weaker finances could falter in payments, which could trigger defaults by subsidised consumers, thereby impacting collection efficiency and profitability of respective discoms.
Working capital rationalization	Payables days to Creditors for the year under evaluation to be equal to or less than the projected trajectory	Payables to power gencos remain abysmally high due to weak financial position of state discoms, largely on account of stretched receivables from consumers, particularly economically weaker sections and government departments. Funds disbursed under Atmanirbhar Bharat discom liquidity package have aided repayments to gencos in fiscal 2021 and fiscal 2022, however payables persist at alarmingly high levels.	Timely payments by consumers are essential to improve liquidity position of state discoms', which, in turn, can reduce payables days, thereby improving working capital cycle. Increasing collection efficiency and successful implementation of DBT could be crucial for the same.
Hours of Supply (Rural)	Govt. aiming for 24*7 power for all under a parallel program	Rural areas received power supply for an average ~20 hours daily across India as of June 2022.	Reducing leakages in distribution network through timely infrastructure upgrades as well as improving billing and collection efficiency in rural consumers could facilitate achievement of the target.
DT metering and Smart metering	Non-Agri. and Agri. DT metering to be completed by June 2023 and March 2025 respectively Smart metering to be completed by March 2025	DT metering in urban and rural areas has reached 95% and 68% as of July 2021, whereas smart metering has reached ~10%.	100% DT metering and smart metering could enable accurate and timely tracking of power consumed, thereby increasing billing efficiency of discoms, consequently reducing their AT&C losses
Corporate Governance and Compliance	Discoms to publish audited annual accounts by December-end of following fiscal year for the first two years of the scheme, and by September-end from third year onwards Tariff orders to be issued by SERCs by April 1 of new fiscal year	Audited annual accounts are typically published by state discoms after a lag of at least 12 months, whereas tariff orders are issued by SERCs 4-8 months after commencement of a new fiscal year.	Timely filing of tariff orders and annual accounts could ensure efficient implementation of new tariff schedule as well as improve overall governance standards and compliance of discoms.

Source: MoP, CRISIL Consulting

iii. Assessment of key off-taker entities

Distribution utilities

CRISIL Consulting has bucketed states based on their operational performance, infrastructure growth, and the respective state government's ability and willingness to support them. The details are as of March 2022.

Most state entities within moderate-to-weak band

	State	AT&C loss (%)	ACS-ARR gap (₹/kWh)	Fiscal deficit (% of GSDP)	Days payable	PFC Rating FY22
Strong	Gujarat	9.20%	-0.22	1.51%	0	A+
	Karnataka	11.10%	-0.73	2.84%	179	A/B
	Haryana	13.80%	0.03	3.36%	42	A+
Moderate	Andhra Pradesh	10.50%	0.50	3.18%	167	B/C
	Punjab	11.70%	0.08	5.65%	65	A
	Madhya Pradesh	23.13%	0.29	3.80%	316	B-/C
	Chhattisgarh	18.10%	0.46	3.81%	214	C
	Maharashtra	15.50%	0.08	2.79%	177	B-
	Tamil Nadu	13.50%	1.79	4.18%	200	C-
	Telangana	11.60%	1.46	3.88%	366	C-
	Rajasthan	17.13%	-0.25	3.03%	139	B/C
Weak	Uttar Pradesh	28.33%	1.34	4.27%	246	C/C-
	Jharkhand	33.80%	1.81	5.10%	537	C-
	Bihar	30.25%	1.26	11.31%	160	C-

AT&C loss (%)
- Less than 15%
- Between 15% and 21%
- Above 21%

ACS-ARR gap (₹/kWh)
- Less than ₹ 0.05/kWh
- Between ₹ 0.05 and ₹ 0.35/kWh
- Above ₹ 0.35/kWh

Fiscal deficit (% of GSDP)
- Less than 3%
- Between 3% and 4.5%
- Above 4.5%

Days payable
- Less than 45 days
- Between 45 and 90 days
- Above 90 days

Source: PFC, CRISIL Consulting

Solar Energy Corporation of India (SECI)

SECI is 100% owned by the GoI and is a critical institution in ensuring success of the government's RE plans and global climate change commitments; thus, strong government support will continue. SECI is also a Category I Trading Licensee from CERC to carry out power trading on a pan-India basis.

Some of the key advantages for SECI are availability of surplus funds, including free cash balances and cushion available in payment security fund. Encumbered cash balances for providing grants/subsidies/VGF ensure availability of adequate funds, indicating a strong liquidity position.

Some of the potential risks are as follows:

16. CERC, in November 2019, put the onus on both parties to mutually decide trading margins. This could impact SECI's profitability and is a key monitorable
17. Further, SECI is in the process of setting up greenfield projects, starting from 10 MW, across India, which could expose it to execution-related risks such as time and cost overrun and funding risk.

Key financial indicators for SECI

Particulars	Unit	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Operating income	Rs million	5,740	7,854	11,582	32,351	46,257	54,429	72,848	1,07,951
EBITDA	Rs million	281	722	891	1,786	2,087	2,271	3,153	3,800
PAT	Rs million	190	465	647	1,294	1,789	1,777	2,403	3,156
EBITDA margin	%	4.9	9.2	7.7	5.5	4.5	4.2	4.3	3.5
PAT margin	%	3.3	6.0	5.6	4.0	3.9	3.3	3.3	2.9
RoCE	%	17.9	26.0	25.2	40.2	37.2	30.9	22.2	18.0
Debt/net-worth	Times	0.1	-	-	-	-	-	-	-
Debt/EBITDA	Times	0.9	-	-	-	-	-	-	-
Cash, cash equivalent	Rs million	3,877	10,880	16,015	16,741	17,620	15,915	25,219	29,980

Particulars	Unit	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Interest coverage ratio	Times	4,424	50	137	67	67	63	77	47
Trade receivables	Days	85	47	41	80	93	57	49	46
Trade payables	Days	82	59	80	46	36	31	23	16

(11) Note: Values given as '-' are nil

Source: Annual reports, credit rating reports, CRISIL Consulting

Credit rating history

Mar 2018	Jun 2019	Jan 2020	Jan 2021	Aug 2021	Jul 2022	Sep 2023
AA+ (positive)	AA+ (positive)	AA+ (stable)	AA+ (stable)	AAA (positive)	AAA (stable)	AAA (stable)

NTPC Vidyut Vyapar Nigam Limited (NVVN)

NVVN was incorporated in 2002, as a wholly owned subsidiary of NTPC to undertake trading of electricity. NVVN holds a category-I license and is one of the national nodal agencies for trading in solar power generated under JNNSM Phase-I and for cross border sales. NTPC along with its subsidiaries sells power to NVVN, which is further sold by NVVN to various utilities and discoms.

NVVN has a strong promoter company NTPC and is a critical institution in ensuring success of government's RE plans in line with JNNSM and global climate change commitments; thus, strong government support to continue. It has a healthy business risk profile owing to its status as a nodal agency for Phase-I (JNNSM) and for cross-border sales. Also, NVVNL has a sound relationship with distribution companies and IPPs. These strengths are partially offset by exposure to counterparty risks and the regulated and competitive nature of the power trading industry.

The company enjoys a healthy financial risk profile because of the absence of any long-term debt and comfortable liquidity. The financial risk profile is expected to remain healthy, despite moderate capital expenditure (capex) requirements in the e-mobility segment, while there is no major capex requirement in the trading business.

Potential risks include trading margin capped by the CERC for electricity trading limits revenues of trading companies. The risk gets further enhanced due to some private players offering lower trading margin than CERC capped trading margin. NVVNL is in the process of setting up of ground mounted projects of ranging from 10 to 50 MW across India, which could expose it to execution related risks like time & cost overrun, funding risk.

Key financial indicators for NVVNL

Particulars	Unit	FY 17	FY 18	FY 19	FY 20	FY 21	FY22	FY23
Operating income	**Rs million**	**53,030**	**50,630**	**45,320**	**44,430**	**40,370**	**38,995**	**44,402**
EBITDA	**Rs million**	**1237**	**952**	**1020**	**261**	**1,098**	**1,210**	**1,305**
PAT	**Rs million**	**764**	**612**	**660**	**180**	**920**	**1503**	**1,759**
EBITDA margin	**%**	**2.35**	**1.88**	**2.25**	**0.59**	**2.72**	**3.10**	**2.94**
PAT margin	**%**	**1.45**	**1.21**	**1.40**	**0.40**	**2.28**	**3.85**	**3.96**
RoCE	**%**	**38.0**	**30.0**	**28.9**	**6.5**	**29.9**	**37.9**	**32.28**
Debt/Net worth	**times**	**-**	**-**	**-**	**0.40**	**0.20**	**-**	**0.21**
Debt/EBITDA	**times**	**-**	**-**	**-**	**0.60**	**0.90**	**-**	**1.16**
Cash, cash equivalent	**Rs million**	**1,838**	**2,530**	**1,450**	**530**	**5,891**	**5,272**	**4,067**
Interest coverage ratio	**times**	**24**	**97**	**40**	**53**	**18**	**61**	**15**
Trade receivables	**days**	**37**	**58**	**86**	**93**	**81**	**136**	**158**
Trade payables	**days**	**61**	**79**	**74**	**69**	**92**	**116**	**159**

(12) Note: Values given as '-' are nil

Source: Annual reports, credit rating reports, CRISIL Consulting

Credit rating history

Feb 2016	May 2017	Aug 2018	Nov 2019	Feb 2021	Jan 2022	Nov 2023
AA+ (stable)	AA+ (stable)	AA+ (stable)	AA+ (stable)	AA+ (stable)	AA+ (stable, withdrawn)	AA+ (stable)

NTPC Green Energy Limited (NGEL)

NTPC Green Energy Limited (NGEL) was incorporated in April 2022 as a wholly owned subsidiary of NTPC Ltd. to develop the renewable energy (RE) assets and meet NTPC's overall RE target of 60 giga-watt (GW) capacity by 2032. Currently, NTPC has operational RE assets of ~ 3.1 GW and also has a wholly owned subsidiary named NTPC Renewable Energy Ltd (NTPC REL) having ~4.3 GW of RE assets won under various tariff based competitive bidding (TBCB) tenders. The company is planning to add merchant capacity apart from capacity addition under partnership with C&I customers including central public sector entities (CPSEs) aggregating ~3-4 GW in the medium term. Going forward, NGEL will act as a holding cum operating company for the RE assets and all the capacity additions in the RE segment will be carried out within or under NGEL. As a part of consolidation, NTPC REL will become a wholly owned subsidiary of NGEL and ~2.861 GW (2.561 GW operational and 0.3 GW near-commercialization) of standalone RE assets of NTPC will be transferred to NGEL. Business transfer of standalone RE assets of NTPC and share purchase agreement of NTPC REL were executed in July 2022.

NGEL's strength lies in strong parental support with a robust balance sheet. NTPC has a strong track record of power projects, engineering, construction, commissioning, operation and maintenance, for more than 45 years. It also has long-term relationships with states to support land acquisition (including solar parks), approvals and bilateral deals. NTPC is a signatory to the tripartite agreement and has the ability to regulate power to support timely payment from discoms. It is a preferred partner for CPSUs and other government entities for signing MoUs.

Some of the potential risks are volatile regulatory framework; competition from established private sector entities; frail financial position of state discoms and project implementation risks.

Credit rating history

Feb 2023
AAA (stable)

Central Transmission Utility (CTU):

CTU plays a crucial role in the power sector as a government-owned entity responsible for the planning, development and coordination relating to the interstate transmission system. The CTU ensures the reliable and secure transmission of electricity across different states in the country. CTU acts as the nodal agency and facilitates the settlement of payments between the various participants in the electricity market. It maintains a pool account, where the payments from the market participants are collected. The transmission charges are deposited into this account, and the CTU ensures the timely disbursement of funds to the relevant entities, such as transcos and gencos.

The CTU's involvement in the point of connection (PoC) mechanism helps in diversifying the risk associated with the payment obligations. It provides assurance to the market participants that the payments will be handled by a reliable and regulated entity, reducing the counterparty risks involved. By acting as an effective counterparty and facilitating risk diversification, the CTU contributes to the smooth functioning of the electricity market in India. It helps in promoting transparency, accountability, and reliability in the settlement of payments for the use of the interstate transmission system.

Power Transmission Segment in India

b. Overview and structure

The transmission segment plays a key role in transmitting power continuously to various distribution entities across the country. The transmission sector needs concomitant capacity addition, in line with generation capacity addition, to enable seamless flow of power.

A T&D system comprises transmission lines, substations, switching stations, transformers, and distribution lines. To ensure reliable supply of power and optimal utilisation of generating capacity, a T&D system is organised in a grid which interconnects various generating stations and load centres. This is done to ensure uninterrupted power supply to a load centre, even if there is a failure at the local generating station or a maintenance shutdown. In addition, power can be transmitted through an alternative route if a particular section of the transmission line is unavailable.

In India, the T&D system is a three-tier structure comprising distribution networks, state grids, and regional grids. The distribution networks and state grids are owned and operated by the respective state transmission utilities or state governments (through state electricity departments). Most inter-state and inter-regional transmission links are owned and operated by the Power Grid Corporation of India Ltd (PGCIL) which facilitates the transfer of power from a surplus region to one with deficit.

The T&D system in India operates at several voltage levels:

- Extra high voltage (EHV): 765 kV, 400 kV and 220 kV
- High voltage: 132 kV and 66 kV
- Medium voltage: 33 kV, 11 kV, 6.6 kV and 3.3 kV
- Low voltage: 1.1 kV, 220 volts and below

Transmission and sub-transmission systems supply power to the distribution system, which, in turn, supply power to end consumers. To facilitate the transfer of power between neighbouring states, state grids are inter-connected through high-voltage transmission links to form a regional grid. There are five regional grids:

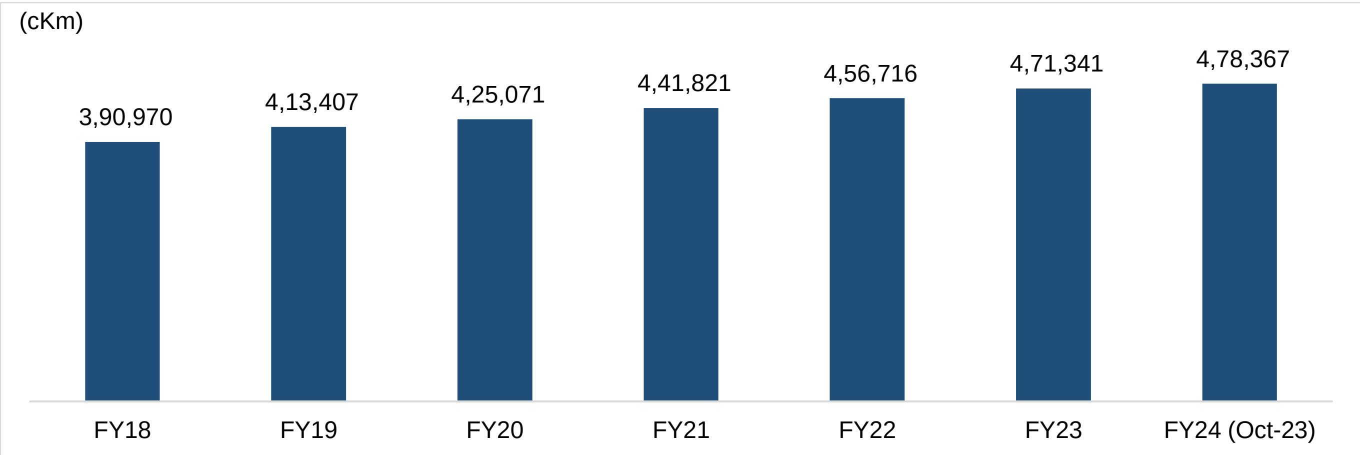
- Northern region: Delhi, Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Rajasthan, Uttarakhand, and Uttar Pradesh
- Eastern region: Bihar, Jharkhand, Orissa, Sikkim, and West Bengal
- Western region: Dadra and Nagar Haveli, Daman and Diu, Chhattisgarh, Goa, Gujarat, Madhya Pradesh, and Maharashtra
- Southern region: Andhra Pradesh, Karnataka, Kerala, Puducherry, and Tamil Nadu
- North-eastern region: Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, and Tripura

As peak demand for power does not take place at the same time in all states, it results in a surplus in one state and deficit in another. Regional or inter-state grids facilitate the transfer of power from a surplus region to the one facing a deficit. Additionally, they also facilitate the optimal scheduling of maintenance outages and better coordination between power plants.

c. Market Review

Robust generation capacity addition over the years and government's focus on 100% rural electrification through last mile connectivity has led to extensive expansion of the T&D system across the country. The total length of domestic transmission lines rose from 3,90,970 circuit kilometres (ckm) in fiscal 2018 to 4,78,367 ckm in fiscal 2024 (Upto Oct-23).

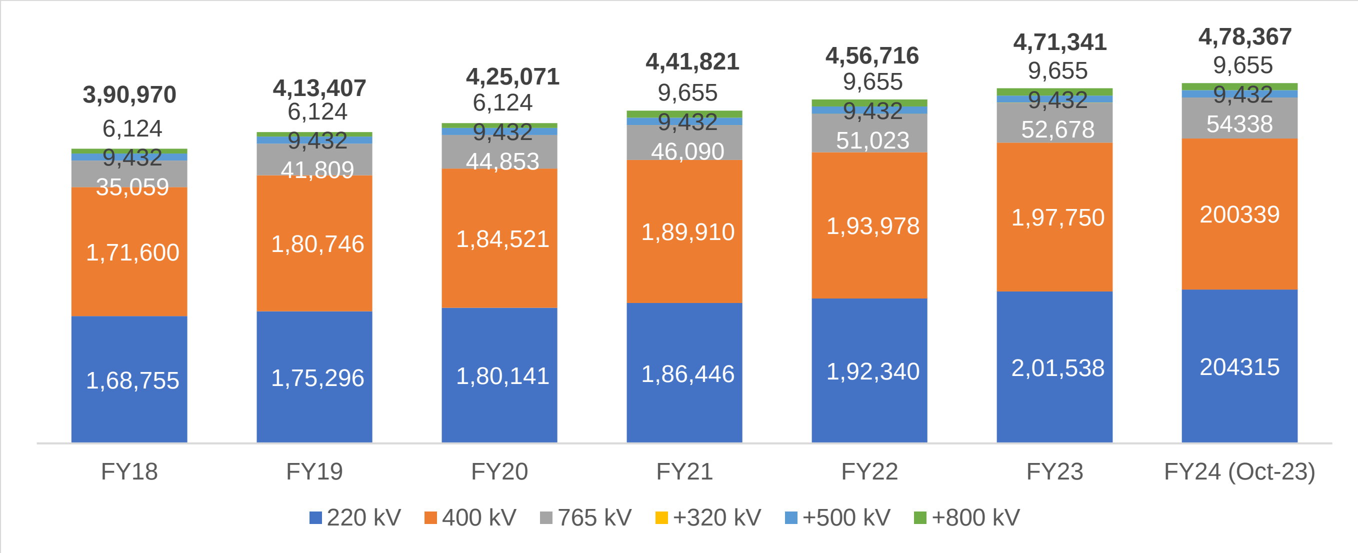
Total transmission line network in the country (220 kV and above)



Source: CEA (Transmission Line Growth Summary), CRISIL Consulting

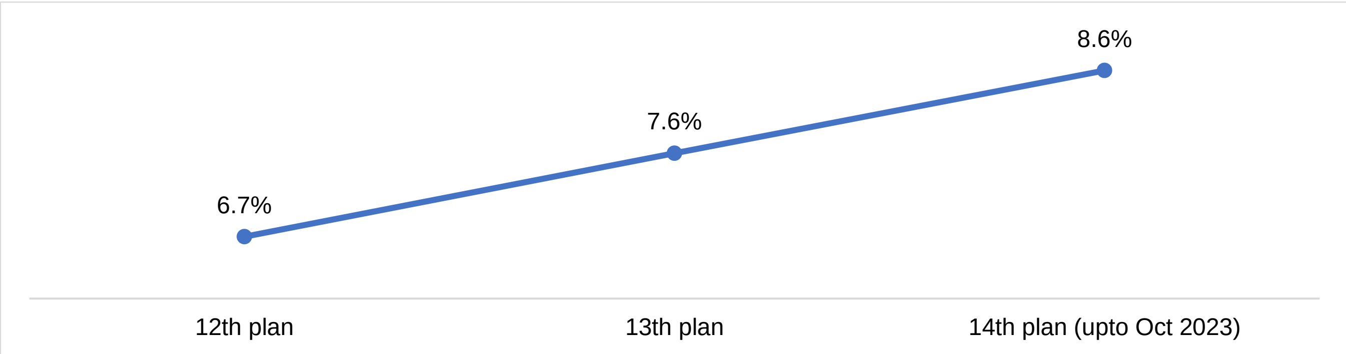
There has been strong growth in the transmission system at higher voltage levels and substation capacities. This is a result of increased requirement of the transmission network to carry bulk power over longer distances and at the same time optimise the right of way, minimise losses and improve grid reliability.

Strong growth in the length of high voltage transmission lines (220 kV and above)



Source: CEA, CRISIL Consulting

Private sector participation in transmission sector

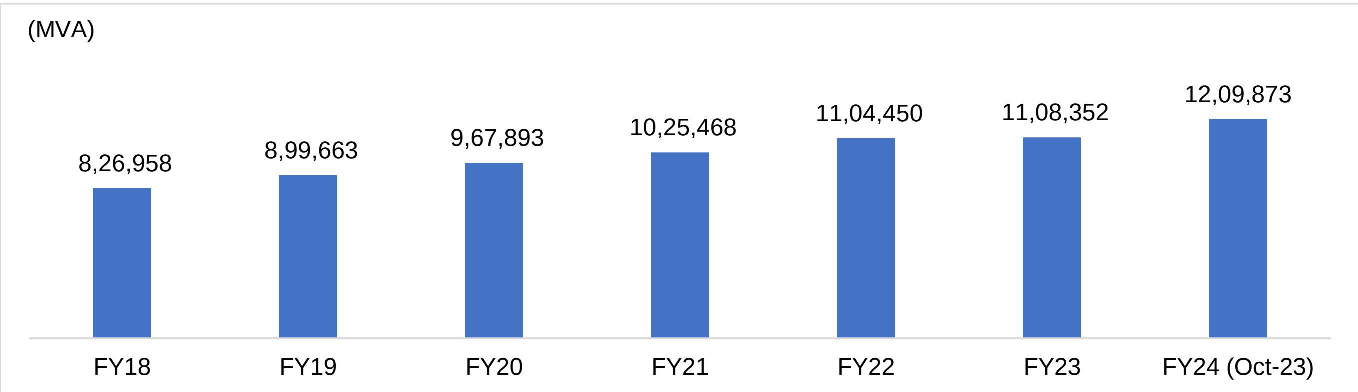


Source: CEA, CRISIL Consulting

Although to encourage private-sector participation in building transmission capacity, the central government notified power-transmission schemes to be undertaken through TBCB, but still lower private player penetration in the transmission sector necessitates higher allotment of transmission lines to private players by the central transmission utilities.

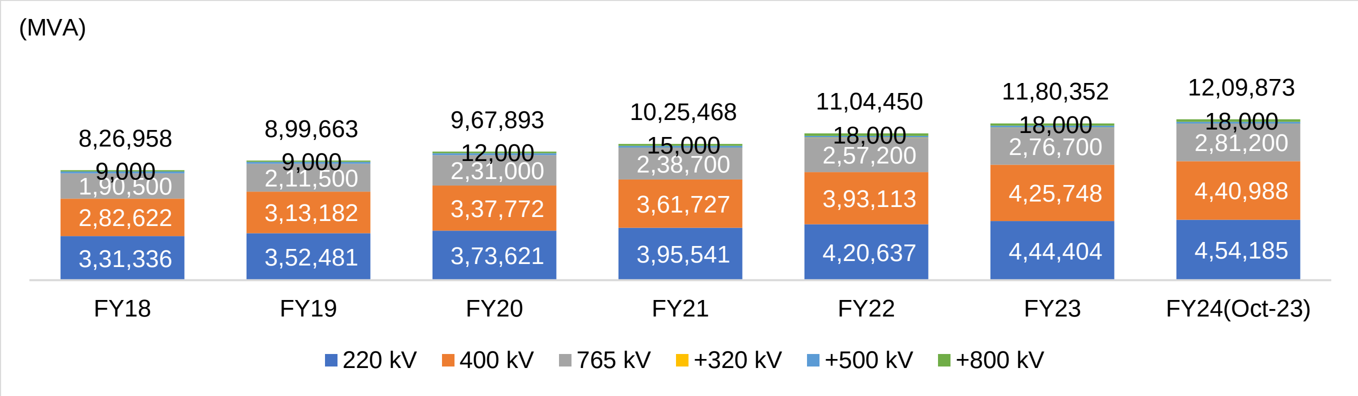
Sub-station capacities in the country have grown from 8,26,958 MVA in fiscal 2018 to reach 1,180,352 MVA in fiscal 2023, at a CAGR of 7.4%.

Total transformation capacity of Tx substations in the country



Source: CEA, CRISIL Consulting

Robust growth in high voltage sub-station transformation capacity (above 220 kV)



Source: CEA, CRISIL Consulting

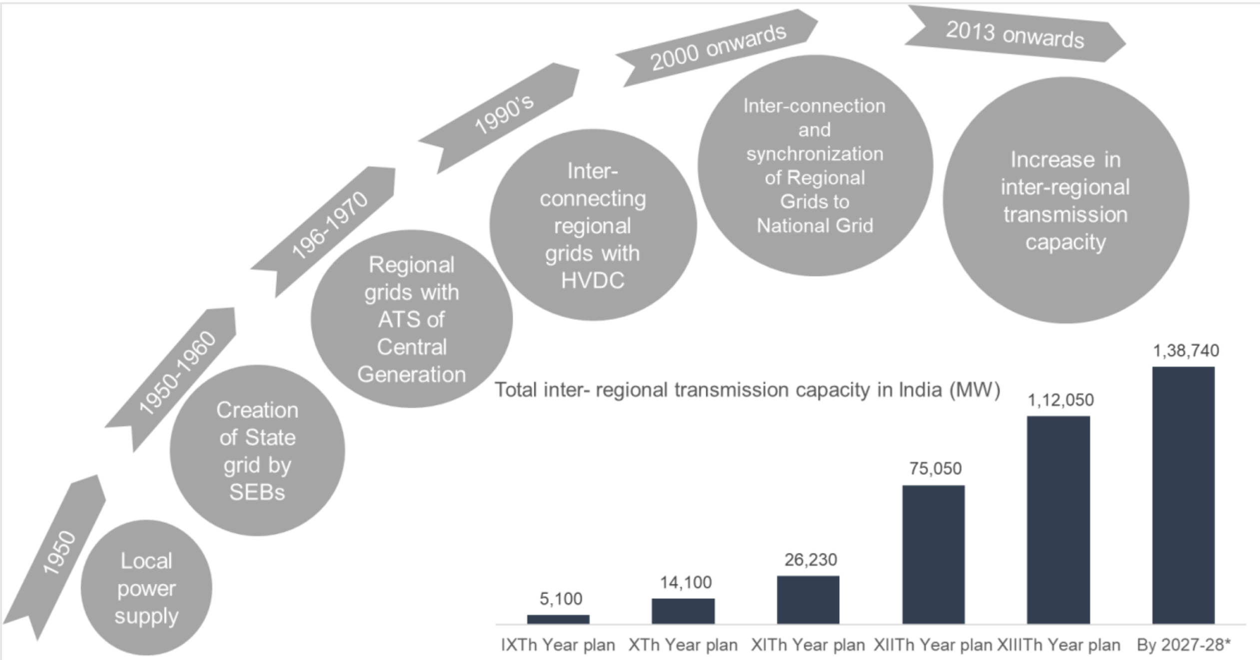
Substation additions have been dominated by the central sector and state sector, contributing to 40% and 56% of the cumulative capacity as of fiscal 2023 respectively.

Unification of regional grids into the national grid

To facilitate the transfer of power between neighbouring states, state grids are inter-connected through high-voltage transmission links to form a regional grid. There are five regional grids, namely, Northern, Western, Southern, Eastern and North-eastern regional grid. As peak demand for power does not take place at the same time in all states, it results in a surplus in one state and a deficit in another. Regional or inter-state grids facilitate the transfer of power from a surplus region to the one facing a deficit. Additionally, they also facilitate the optimal scheduling of maintenance outages and better coordination between power plants.

The Indian national grid has evolved over a period of past 60 years all the way from isolated state grids to regional grids and finally with the commissioning of 765 kV transmission line between Raichur and Solapur in December 2013 India achieved one nation one Grid status. Although the interregional transmission capacity is still low, unification of grid has helped in bridging the gap between load centers to the demand centers in India. The detailed evolution of the grid is as discussed in the section given below:

Integration and growth of transmission network in India

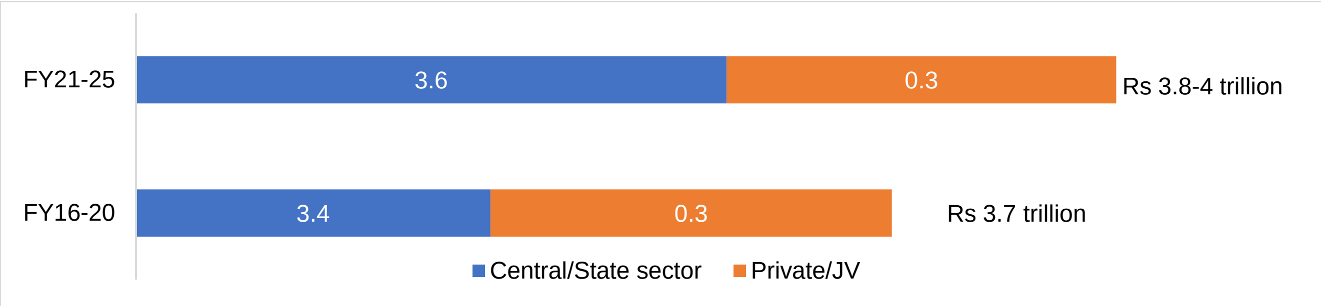


*Source: CEA, *CTUIL ISTS Rolling plan 2027-28 Report; CRISIL Consulting*

Transmission investments of Rs 3.8-4.0 trillion expected over 2021-25

The estimated investment in the transmission sector is expected to be Rs 3.8-4.0 trillion over the 13th Five Year Plan.

Investments are expected to be driven by the need for robust and reliable inter and intra-state transmission systems, to support continued addition of generation capacity, a strong push for renewable energy capacities, and rural electrification. Furthermore, the strong execution capability of PGCIL, more focus on intra-state networks, and rising private-sector participation with favorable risk-return profile of transmission projects will also support investment growth. With the introduction of TBCB and viability gap funding schemes for intra-state projects, the share of private sector players in the power transmission sector is expected to increase gradually over the next five years.

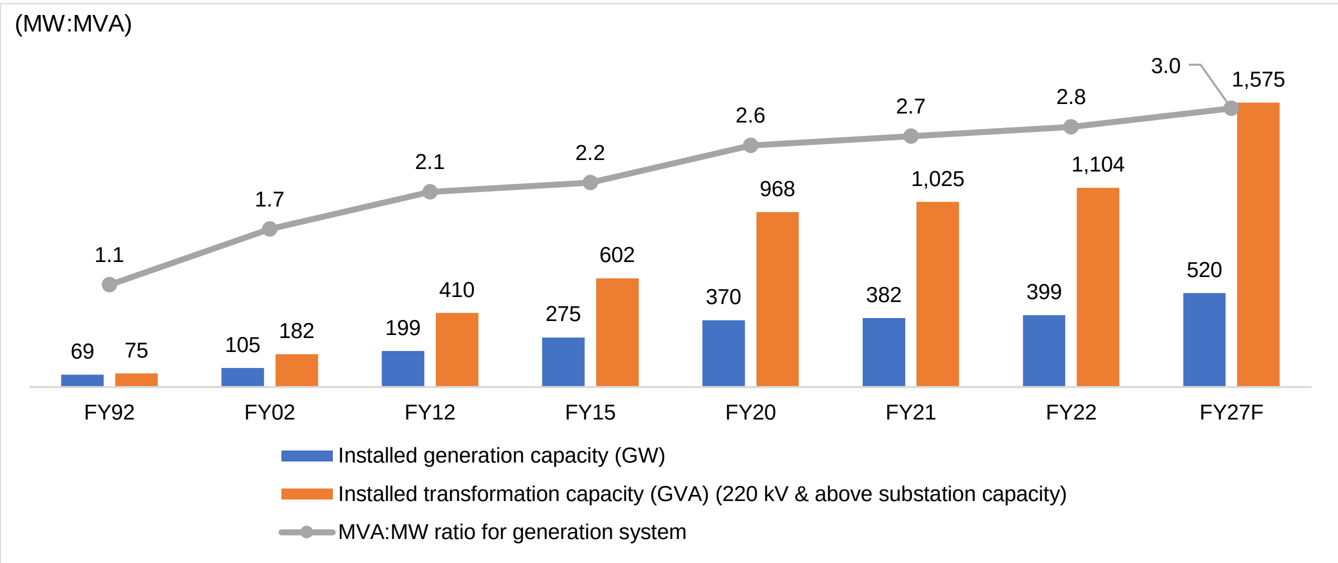


Source: CEA, CRISIL Consulting

Domestic investments in transmission and distribution to be led by intra-state augmentation

In order to ensure free and uninterrupted flow of power, every MW of new generation capacity needs a certain transformation capacity added to the system. In Indian context, 220 kV and above level transformation to generation addition ratio (MVA: MW) has remained low over the years. At the end of March 1985, this ratio was 1.1 times and has improved to 2.8 times as of March 2022. Lower transformation capacity results in line congestion, which has been visible particularly in inter-state transmission of power. With the government's focus on alleviating congestion, transmission capacities are expected to witness growth in transformation capacity additions during 13th Plan.

Transformation vs generation capacity



F: Forecasted; Source: CEA, CRISIL Consulting

Consequently, in the transmission line segment, robust growth in HV lines of 400kV and 765kV is expected due to its importance in inter-state transmission lines. Higher voltage level enhances power density, reduces losses, and efficiently delivers bulk power. Moreover, it reduces the requirement of right-of-way due to less land requirement, a key challenge facing the transmission sector. Thus, CRISIL Consulting believes the MVA:MW ratio would further improve to around 3.0 by March 2027.

Key Growth Drivers for growth in transmission sector

Some of the key growth drivers for the transmission segment in India are:

Widening gap between inter-regional power demand-supply to drive transmission capacity additions

As per CTUIL, the total power generation capacity (including renewable energy and energy storage) at a pan India would rise to ~703 GW in fiscal 2027 from ~416 GW in fiscal 2023. However, the upcoming generation capacity will not be spread evenly across India. Most of the upcoming renewable capacities would be concentrated in the northern (specifically in Rajasthan), western and southern regions of India, while significant thermal capacities would commission close to the coal mines in eastern and central regions of India. The addition of such large quantity of generation capacities would necessitate the investments in transmission segment to supply power to different demand centers.

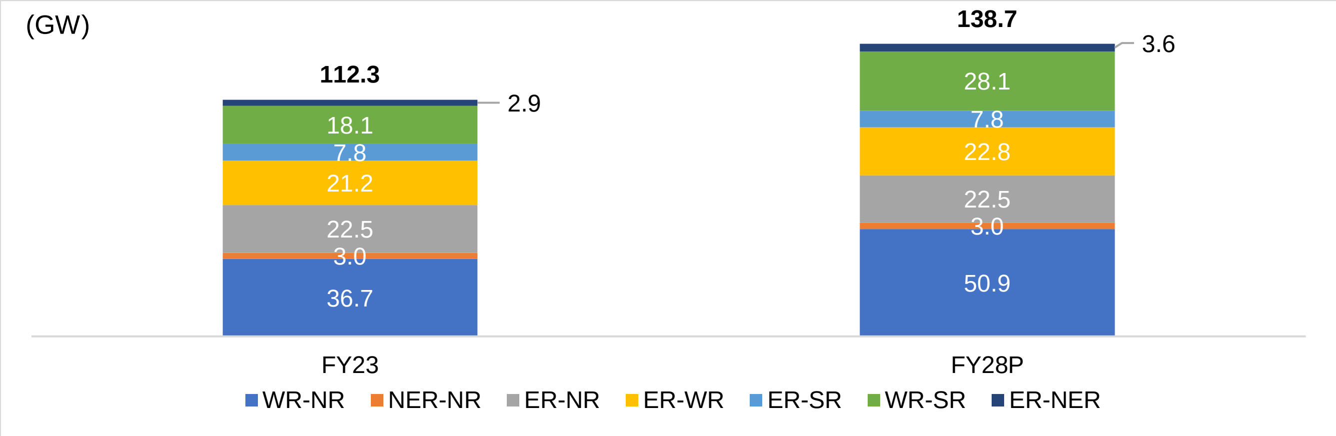
Further, the infirm nature of renewable energy (extreme variations in the power output) would give rise to grid issues unless the generated power is distributed over longer distances and to multiple demand centers via transmission lines. Moreover, there exists significant variation in demand on account of seasonal differences and time of day demand differences, which will necessitate large inter-regional transmission capacities to prevent grid fluctuations.

As a result, to reduce the demand-supply mismatch, government has planned to increase the interregional power transfer capacity to 138,740 MW by FY 2028. Moreover, the share of inter-regional transmission capacity is expected to increase from 13.9% in fiscal 2012 to 20% in fiscal 2028 (inter-regional transmission capacity as a fraction of total installed generation capacity), resulting in growth of investment in the power transmission sector.

To facilitate inter-regional power transfer capabilities from power surplus regions to deficit regions, CTUIL estimates regional power transmission capacity by fiscal 2028 at 138,740 MW.

The inter-regional transmission line corridor expansion requirement, as per CEA estimates, would be as follows:

Inter-regional transmission links and capacity (GW)



P: Projected

Source: CEA, CTUIL ISTS Rolling plan 2027-28 Report; CRISIL Consulting

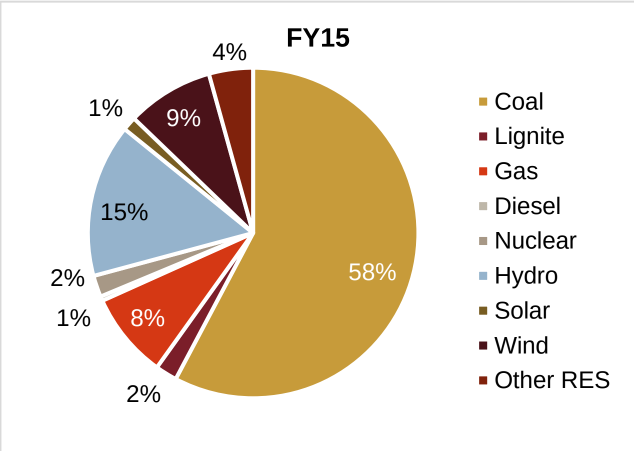
To cater to the above import/export requirement, a number of inter-regional transmission corridors have been planned and some of these high-capacity transmission corridors are in various stages of implementation, taking care of past under investments in grid.

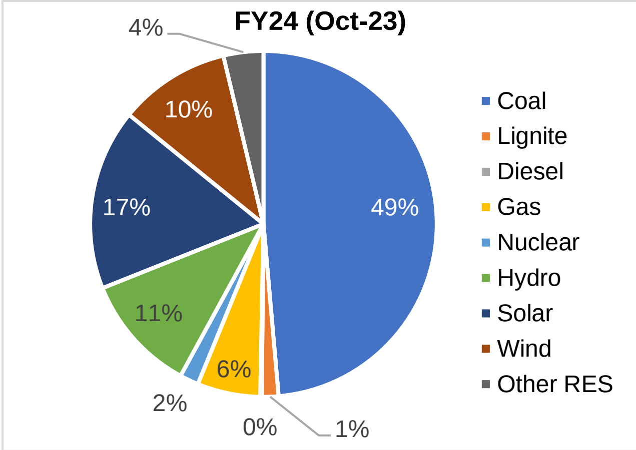
As per CTUIL, ISTS Rolling plan 2027-28, the total inter-regional transmission capacity addition during the fiscal 2024-2028 period to be ~26,690 MW. With such capacity augmentations, total inter-regional capacity would grow from ~1,12,250 MW as on March-2023 to about 138,740 MW by the end of fiscal 2028.

Strong renewable energy capacity additions to also drive transmission capacity

Power generation in India is dominated by coal-based generation contributing to ~50% of the total installed capacity in India. Further, with ~213 GW installed capacity; the coal-based generation contributes to around 3/4th of total electricity generation in India. However, there has been a staggering growth in installed capacity of Renewable energy sources from 63 GW in fiscal 2012 to 80 GW in fiscal 2015, further reaching to ~179 GW (including large hydro) in Oct-2023.

Increase in share of renewable energy sources





Total installed capacity: 274.9 GW	**Total installed capacity: 425.5 GW**

RES: Renewable energy source
Source: CEA, CRISIL Research

Transmission system for 55.08 GW RE capacity has already been planned and status of the transmission schemes is given below:

Transmission scheme	**RE capacity (GW)**	**Status of Transmission Scheme**
Transmission schemes for 20 GW RE capacity in Rajasthan under Phase III	14	Transmission schemes are under bidding.
	6	The transmission scheme comprises of 6,000 MW, +800 kV HVDC system between Bhadla-III and Fatehpur. The scheme has been recommended by NCT in its 9th meeting held on 28.09.2022. Subsequent activities are in progress for initiating bidding of the scheme.
Transmission scheme for 13 GW Leh RE park	13	The transmission scheme comprises of + 350 kV, 5,000 MW VSC based HVDC link from Pang to Kaithal. Scheme allocated to PowerGrid in January 2022, for implementation through RTM route.
Transmission scheme for 880 MW Kaza Solar Park, Himachal Pradesh	0.88	Transmission system planned. To be taken up for implementation in matching timeframe of RE Generation
Transmission scheme for additional 17.2 GW RE capacity from Khav-da and 4 GW RE capacity from Dholera, Gujarat	21.2	Transmission system planned. To be taken up for implementation in matching timeframe of RE Generation
Total	**55.08**	

Source: CEA

Upgradation of existing lines critical to meet rising power demand in an economical way

India has ~4.71 lakh ckm of transmission network as on April 2023 of which most of the lines are using the Aluminium core steel reinforced (ACSR) conductor. This type of conductor is having lower current carrying capacity and lower withstand temperature (85 ºC) capacity as compared to other latest available technology and substitutes

Improving power scenario and measures to stabilize grid to lead to transmission corridors to neighboring countries

Power deficit in India has been on a declining trajectory with energy deficit shrinking to 0.5% for fiscal 2023 as compared 3.6% in fiscal 2015. Thus, with healthy availability of power, India is evaluating opportunities to tap neighbouring countries for better integration and synergies.

India and its neighboring countries are interlinking the electricity transmission systems allowing surplus power to be exported to other grid while simultaneously importing large hydro based power from Nepal and Bhutan.

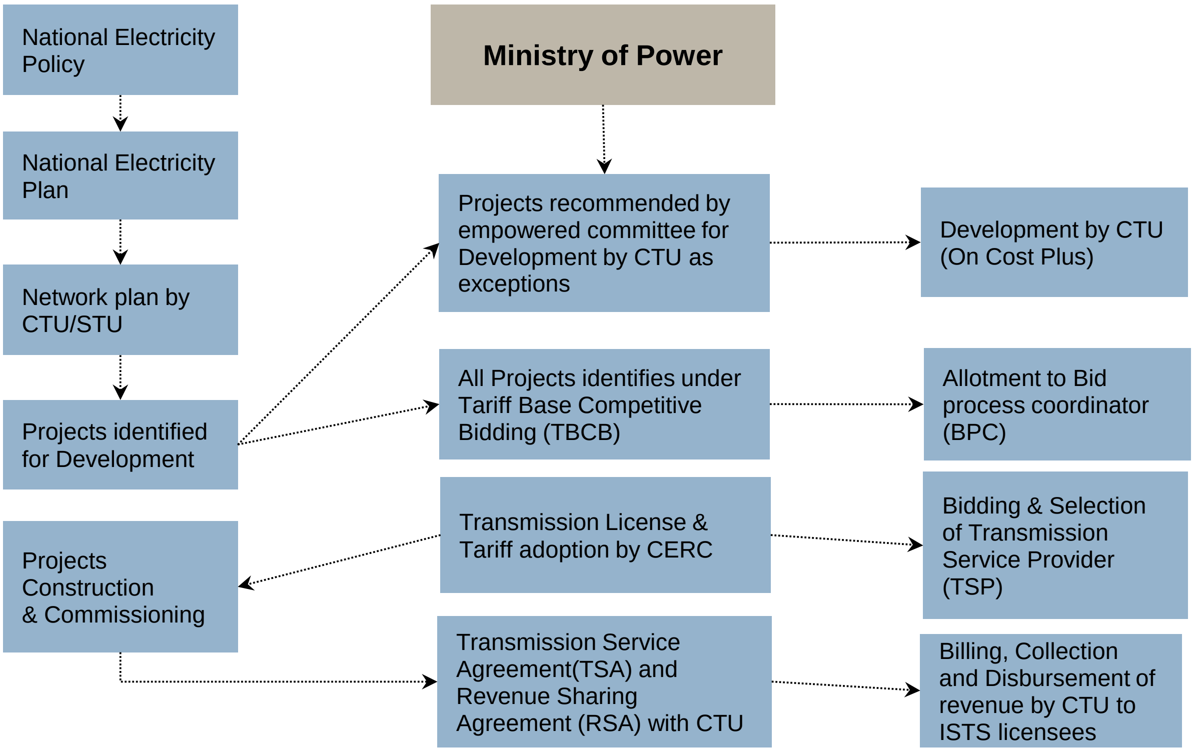
India is linked to its neighboring countries through a network of electrical interconnections, with a total power transfer capacity of approximately 4,230 MW.

Strong government support to also drive transmission investments

Government support to power transmission is expected to continue. In the past, it has supported the transmission segment through several measures – increasing the concession period of a transmission asset, relaxation of norms to speed up project construction and implementation of UDAY scheme to boost power demand, which in turn, will eventually result in rise in transmission requirements.

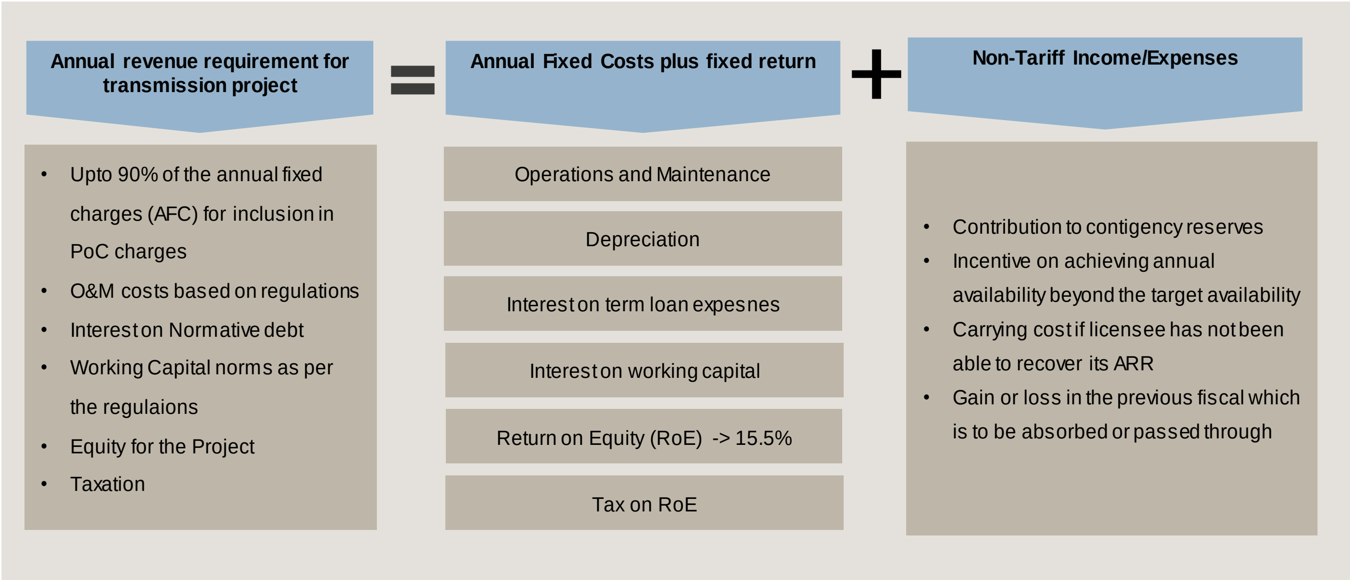
Under the TBCB, tariff for projects is not on a cost-plus basis and bidders are required to quote tariff for a period of 35 years for establishing transmission lines. The bidder quoting the lowest levelised tariff is selected. The successful bidder is then required to acquire a special purpose vehicle or SPV incorporated by the bid process coordinator or BPC. Once the process of acquisition is complete, the SPV approaches CERC to obtain a transmission license.

Mechanism of awarding of transmission projects



Source: Ministry of power; CRISIL Consulting

Methodology for determination of cost-plus tariff



Note: AFC, Interest on normative debt, working capital norms and Tax is computed on "True up" basis

Source: CERC regulations; CRISIL Consulting

An Overview of the bidding mechanism

For procurement of transmission services as per the CERC guidelines, the BPC is required to prepare the bid documents, i.e., the RFQ and RFP, as per the guidelines of the standard bidding document. At present, RECTPCL (Rural Electricity Corporation Transmission Projects Company Ltd, a 100% subsidiary of REC) and PFCCL (Power Finance Corporation Consulting Ltd, a 100% subsidiary of PFC) are the BPCs for transmission projects. The bidding shall necessarily be by way of International Competitive Bidding (ICB).

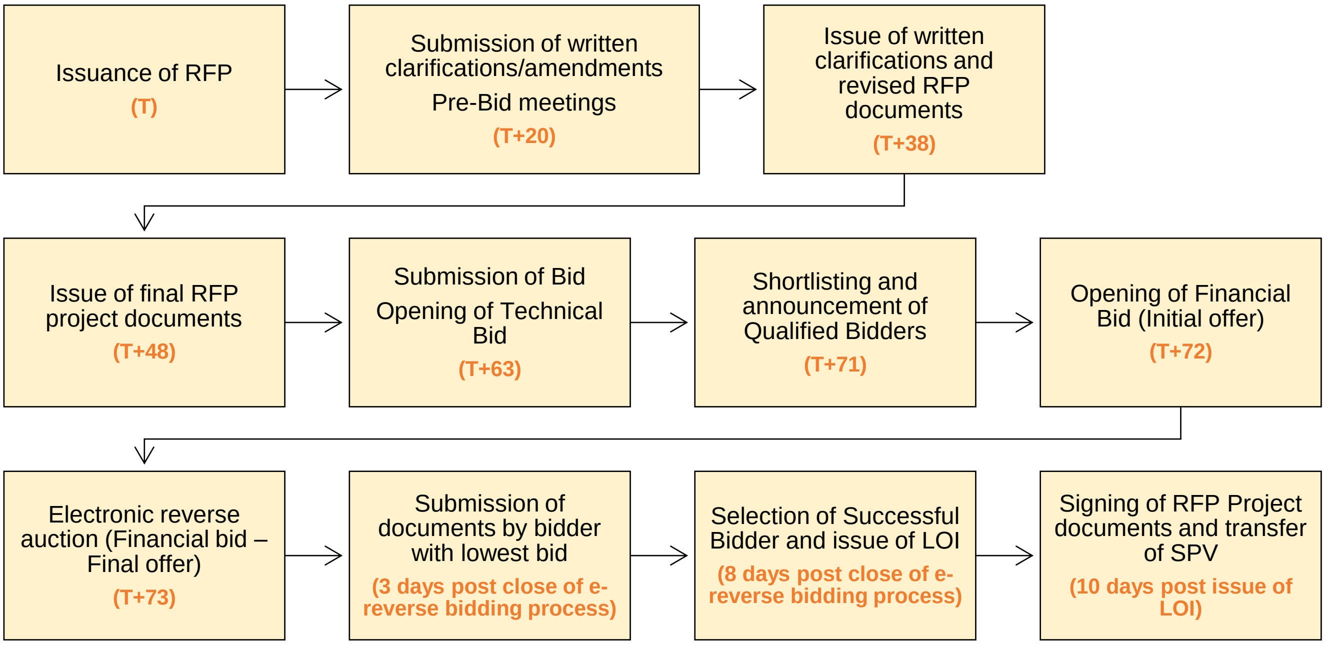
The **standard bidding document** to be provided in the RFQ includes:

1. Details of the project, including location and technical specifications
2. Construction milestones to be specified by the bidders
3. Financial requirements to be met by bidders, including minimum net worth and revenue, with necessary proof of the same, as outlined in the bid documents.
4. Details of model transmission service agreement, which shall include
   - Description of interstate transmission system (ISTS)
   - Description regarding sharing of transmission charges, other charges, and transmission losses; and
   - Procedure for metering and accounting
   - Billing, collection and disbursement of transmission charges
   - Force majeure clauses as per industry standards
   - Default conditions and cure thereof, and penalties.
5. Other technical, operational and safety criteria to be met by bidder/TSP, including the provisions of the IEGC/State Grid Code and relevant orders of the Appropriate Commission
6. Bid evaluation methodology to be adopted by the BPC
7. Demonstration of financial commitments from lenders at the time of submission of the bids

The Technical Bid submitted by the Bidder initially gets scrutinized to establish "Responsiveness". After that, the Technical Bid gets checked for compliance with the submission requirements. The Bids which are found Qualified by the BPC get opened and Quoted Transmission Charges of such Initial Offer is ranked on the basis of the ascending Initial Offer submitted by each Qualified Bidder. Based on such ranking of the Qualified Bidders, in the first fifty per cent of the ranking (with any fraction rounded off to higher integer) or four Qualified Bidders, whichever is higher, qualify for participating in the electronic reverse auction. The Bidder with the prevailing lowest Quoted Transmission Charges discovered from Final Offers at the close of the scheduled or extended period of e-reverse bidding is declared as the Successful Bidder. The Letter of Intent is then issued to such Successful Bidder.

After selection, the bidder is required to acquire the project SPV from the BPC and make an application for grant of transmission license to CERC. The successful bidder is designated as the transmission service provider or TSP. The TSP commissions the line as per the schedule specified in the Transmission Service Agreement or TSA with the long-term service customers, the effective date for start of project development being the date of acquisition of SPV by the TSP.

Timelines in TBCB bidding process



Source: Bidding Documents; CRISIL Consulting

Point of Connection (PoC) mechanism

In 2011, the CERC introduced the 'Point of Connection' (PoC) method for determining inter-state transmission charges. The PoC methodology was introduced to meet the requirements of an integrated grid with rapidly increasing inter-regional transmission of power. It replaced the regional postage stamp method, which was more suited to simple power flows restricted to a small geographical area or electric network. With the new system, the regulator also aims to promote an efficient transmission pricing regime that is sensitive to distance, direction, and quantum of power flow – factors which were not addressed by the postage stamp method.

In the PoC method, the transmission charges to be recovered from the entire system have been allocated between users based on their location in the grid. The inter-state grid has been divided into generation and withdrawal (demand) zones, and prices for each zone are determined by an algorithm based on the load profile of the zone. Separate transmission charges are attributable to both generators and distribution companies as they are both deemed to be beneficiaries of the transmission network. However, in almost all cases, transmission charges attributed to the generator are recovered from the discoms.

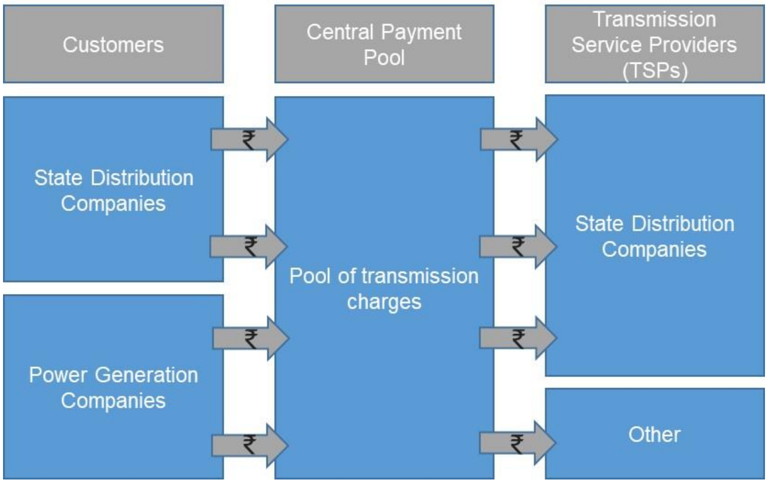
PoC regime more centrally controlled

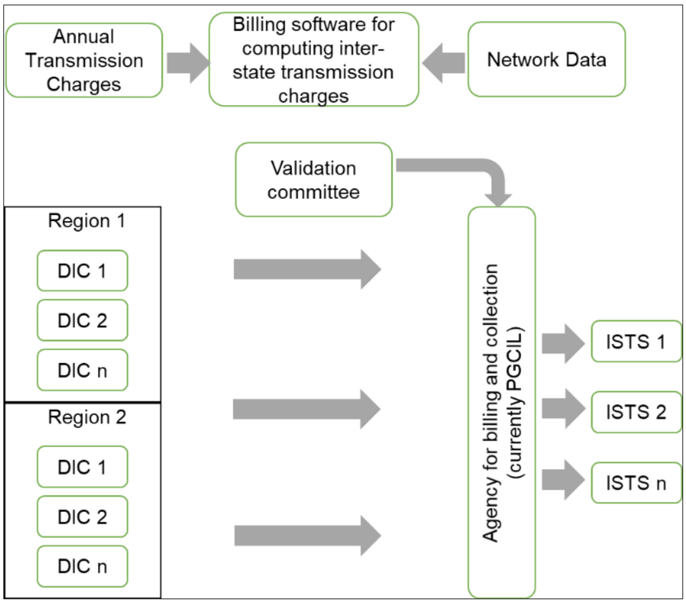
Also, earlier, each transmission licensee would sign a Bulk Power Transmission Agreement (BPTA) for each transmission asset with multiple discoms. As a result, the licensee would be responsible for recovering his annual transmission charges (ATC) from multiple discoms across regions, resulting in high transaction complexity.

However, with the PoC mechanism, BPTAs will no longer be signed for individual transmission assets; instead, a universal TSA and revenue sharing agreement (RSA) is in place and all beneficiaries including ISTS Licensees, Deemed ISTS Licensees, other non-ISTS Licensees whose assets have been certified as being used for interstate transmission by the RPCs will be default signatories to the TSA and RSA approved by CERC. Post the commissioning of transmission line RSA determines the terms and conditions for billing, collection, and disbursement procedure for the ISTS licenses and DICs while TSA determines the terms and conditions for revenue accrual and other operation related parameters.

Under the PoC mechanism, the CTUIL acts as the revenue aggregator and collects payments from all the DICs based on the inputs received related to utilization of the transmission network. The CTUIL is responsible for billing and collecting these charges from the various users and disbursing them to transmission licensees. The CTUIL is responsible for billing and collection of these charges from the various users and disbursing them to the transmission licensees. The CTUIL functions as a single point of contact between transmission licensees and the users.

Procedure for payment pooling mechanism





Source: CERC; CRISIL Consulting

List of projects under bidding with REC as BPC

Sl. No	Project Name
1.	Transmission System for Evacuation of Power from Shongtong Karcham HEP (450 MW) And Tidong HEP (150 MW)
2.	Western Region Expansion Scheme XXXIII (WRES-XXXIII): Part C
3.	Western Region Expansion Scheme XXXIII (WRES – XXXIII): Part B
4.	Transmission Scheme for Evacuation of Power from Dhule 2 GW REZ
5.	Transmission Scheme for Northeastern Region Expansion Scheme-XVI (NERES-XVI)
6.	Transmission Scheme for construction Of 400/220 KV, 2×500 MVA GIS Substation Metro Depot (Gr. Noida) With Associated Lines And 400/220 KV, 2×500 MVA GIS Substation Jalpura with Associated Lines
7.	Transmission Scheme for Solar Energy Zone in Bidar (2,500 MW), Karnataka
8.	Transmission System for Evacuation of Power from Luhri Stage-I HEP Through Tariff Based Competitive Bidding Process
9.	Inter-State Transmission System for Transmission System for Evacuation of Power From REZ In Rajasthan (20GW) Under Phase-III Part D
10.	Inter-State Transmission System for Transmission System for Evacuation of Power From REZ In Rajasthan (20GW) Under Phase-III Part C1

Sl. No	Project Name
11.	Inter-State Transmission System for Transmission System for Evacuation of Power From REZ In Rajasthan (20GW) Under Phase-III Part F

Note: Projects likely to be bid out and awarded in the next 1-2 fiscals

Source: REC, CRISIL Consulting

List of projects under bidding with PFC as BPC

Sl. No	Project Name
1.	Construction of 400/220 kV, 2x500 MVA GIS Substation Jewar, 220/33 kV, 2x60 MVA GIS substation Cantt (Chaukaghat) Varanasi, 220/33 kV, 3x60 MVA GIS substation Vasundhara (Ghaziabad), 220/132/33 kV, 2x160+2x40 MVA khaga (Fatehpur) with associated lines.
2.	Transmission system for evacuation of power from Rajasthan REZ Ph-IV (Part-1) (Bikaner Complex): Part-D.
3.	Transmission system for evacuation of power from Rajasthan REZ Ph-IV (Part-1) (Bikaner Complex): Part-C.
4.	Construction of 220/132/33 kV Tirwa (Kannauj) substation with associated lines and LILO of one circuit of 400 kV D/C (Twin Moose) Shamli-Aligarh line at THDC 2x660 MW Khurja Power Plant.
5.	Transmission system for evacuation of power from Rajasthan REZ Ph-IV (Part-1) (Bikaner Complex): PART-A.
6.	Transmission system for evacuation of power from Rajasthan REZ Ph-IV (Part-1) (Bikaner Complex): PART-B.
7.	Transmission scheme for Solar Energy Zone in Ananthpuram (Ananthapur) (2,500 MW) and Kurnool (1,000 MW), Andhra Pradesh - New
8.	Creation of 400/220 kV, 2x315 MVA S/S at Siot (earlier Akhnoor/Rajouri) as ISTS
9.	Inter-State Transmission System for “Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under phase III-Part H
10.	Transmission Scheme for integration of Renewable Energy Zone (Phase-II) in Koppal-II (Phase-A & B) and Gadag-II (Phase- A) in Karnataka
11.	Transmission System for Evacuation of Additional 7GW RE Power from Khavda RE Park under Phase-III Part B.”
12.	Transmission system for evacuation of additional 7 GW of RE power from Khavda RE park under Phase III Part A.
13.	Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under phase III –Part A3.
14.	Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under phase III –Part A1.
15.	Transmission system for evacuation of power from REZ in Rajasthan (20GW) under Phase-III Part B1.
16.	Transmission system for evacuation of power from Chhatarpur SEZ (1500MW)
17.	Transmission scheme for Solar Energy Zone in Ananthpuram (Ananthapur) (2500 MW) and Kurnool (1,000 MW), Andhra Pradesh.
18.	Transmission system for evacuation of power from Rajasthan REZ Ph -IV (Part-2: 5.5 GW) (Jaisalmer/Barmer Complex) Part B.
19.	Construction of 400/220 kV, 2x500 MVA GIS Substation Jewar, 220/33 kV, 2x60 MVA GIS substation Cantt (Chaukaghat) Varanasi, 220/33 kV, 3x60 MVA GIS substation Vasundhara (Ghaziabad), 220/132/33 kV, 2x160+2x40 MVA khaga (Fatehpur) with associated lines
20.	Eastern Region Expansion Scheme-XXXIV (ERES- XXXIV)
21.	Transmission System for Evacuation of Power from RE Projects in Solapur (1500 MW) SEZ in Maharashtra.
22.	Construction of 400/220/132 kV Grid substation at Joda/Barbil with associated transmission lines
23.	Transmission System for Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7GW): Part B
24.	Transmission system for evacuation of power from Rajasthan REZ Ph -IV (Part-2: 5.5 GW) (Jaisalmer/Barmer Complex) Part D
25.	Transmission system for evacuation of power from Rajasthan REZ Ph -IV (Part-2: 5.5 GW) (Jaisalmer/Barmer Complex): Part F (By clubbing Part F1 & F2)

26.	Transmission system for evacuation of power from Rajasthan REZ Ph -IV (Part-2: 5.5 GW) (Jaisalmer/Barmer Complex) Part B

Note: Projects are likely to be bid out and awarded over the next 1-2 fiscals

Source: PFC, CRISIL Consulting

Among the National Infrastructure Pipeline a group of social and economic infrastructure projects in India over a period of five years with an initial sanctioned amount of Rs 102 lakh crore ((US$1.4 trillion)], which was first announced in 2019 and list of projects were unveiled in August 2020, a total of 146 transmission projects have been identified till date for fast-track development.

Some of key projects (based on project size), under the NIP are as given below:

Key transmission projects identified under NIP

Sl. No.	Name of scheme/ project	Region	Estimated Project Cost (in billion USD)
1.	Chennai Power Transmission Project	Tamil Nadu	6.44
2.	Power Transmission Project	Offshore	6.04
3.	Lucknow Power Transmission Project	Uttar Pradesh	3.13
4.	Hyderabad Power Transmission Project	Telangana	2.58
5.	Transmission System For RE Projects In Leh Phase-I [10GW]	Leh	2.51
6.	HVDC Bipole Link Between Western Region [Raigarh, Chattisgarh] And Southern Region [Pugalur, Tamil Nadu]-North Trichur [Kerala]- Scheme1- Raigarh - Pugalur 6,000 MW HVDC System	Kerala Tamil Nadu	1.73
7.	North East - Northern / Western Interconnector - I, PART-A & B	Arunachal Pradesh Assam	1.72
8.	Bangalore Urban Power Transmission Project	Karnataka	1.65
9.	Creation Of Intra State Transmission System In 8 Renewable Energy Rich States	Andhra Pradesh Himachal Pradesh Karnataka Tamil Nadu Gujarat Rajasthan	1.28
10.	Gandhinagar Power Transmission Project	Gujarat	1.26
11.	Comprehensive Scheme For Strengthening Of Transmission And Distribution [T&D] Systems [CSST&DS] In Arunachal Pradesh And Sikkim	Arunachal Pradesh Sikkim	1.15
12.	Kamrup Metropolitan Power Transmission Project	Assam	1.02
13.	Guntur Power Transmission Project	Andhra Pradesh	0.96
14.	Jaipur Power Transmission Project	Rajasthan	0.92
15.	Mumbai City Power Transmission Project	Maharashtra	0.92
16.	North Eastern Region Power System Improvement Project [NERPSIP]	Assam Manipur Meghalaya Mizoram Nagaland Tripura	0.84
17.	Papum Pare Power Transmission Project	Arunachal Pradesh	0.82
18.	Augmentation & Improvement of Distribution Sector Of Power & Electricity	Mizoram	0.75
19.	HVDC Bipole Link Between Western Region [Raigarh,	Kerala	0.66

Sl. No.	Name of scheme/ project	Region	Estimated Project Cost (in billion USD)
	Chhattisgarh] And Southern Region [Pugalur, Tamil Nadu] - North Trichur [Kerala]- Scheme3- Pugalur-Trichur 2,000 MW VSC Based HVDC System		
20.	Ranchi Power Transmission Project	Jharkhand	0.66

Note: These projects are likely to be bid out and awarded in the next 4-5 fiscals depending on government thrust and private player participation

Source: India Investment Grid portal, CRISIL Consulting

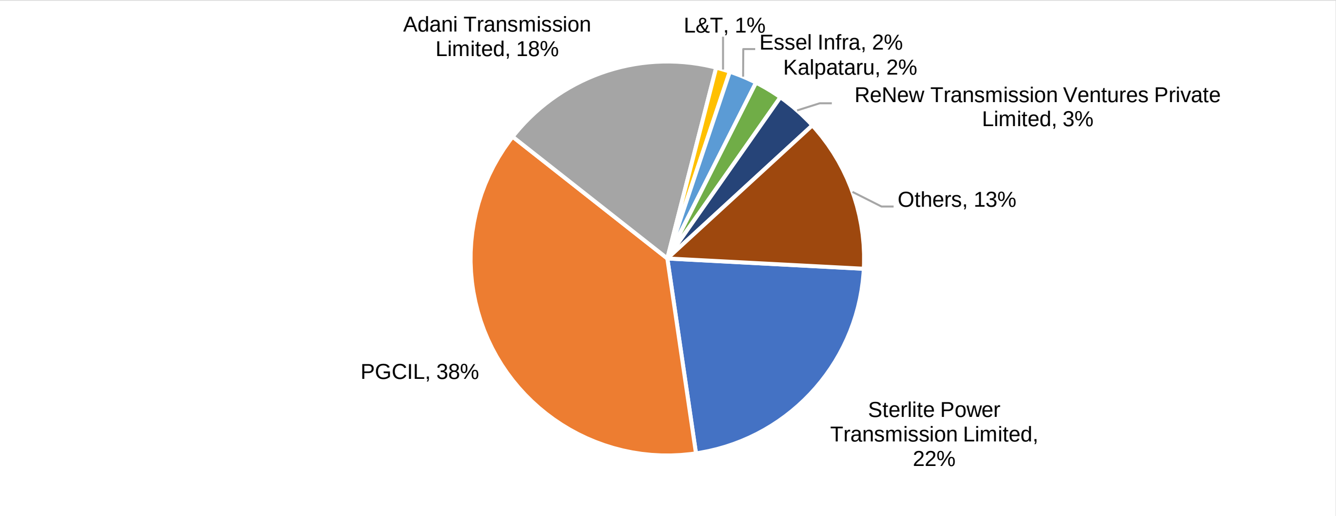
These project pipeline entails strong opportunities for investment in the transmission segment, through competitive bidding.

Consolidation in the transmission segment constricting competition

Prior to the competitive bidding, transmission projects were allocated on the fixed 15.5% return on equity basis. However, post 2011, competitive bidding for all interstate transmission lines were made mandatory which has led to rising competition among players intending to establish their presence in the sector. Players were competing to establish their presence and garner a higher share in the market. The transmission business was perceived as a low risk business as annual levelised tariffs are independent of demand-supply dynamics and fluctuation in electricity tariffs. Further due to better payment security mechanism and assurance of payment from central and state transmission utilities, this business model has attracted many new players.

Out of 87 transmission projects commissioned/ awarded through TBCM route, with the centre being as counterparty, of which 54 are won by private players while remaining 33 are won by the PGCIL. Furthermore, among private developers, Sterlite Power Transmission Limited (SPTL) is the leading player with a market share of 22% (in terms of project portfolio) followed by Adani Transmission Limited (16 projects awarded, 18% project share). PGCIL remains a strong player in the TBCB mode as well. This shows that the public sector entity has fared well, even when it was not safeguarded or protected from competition. Some of the other major players include Kalpataru Transmission Limited, Renew Transmission and Essel Infra.

Market share of players among central transmission projects awarded through TBCB mode



Source: Monthly progress report as of Oct-2023 of transmission projects awarded through TBCM (CEA), CRISIL Consulting

Portfolio of private players in TBCB mode

Sl. No.	Name of the player	Operational route length (ckm)	Route length under construction (ckm)	No. of projects (Operational)	No. of projects (Upcoming)
1	Sterlite Power Transmission Limited	8,199	2,620	12	7
2	Adani Transmission Limited	6,022	1,402	12	4
3	L&T	944	-	1	-

Sl. No.	Name of the player	Operational route length (ckm)	Route length under construction (ckm)	No. of projects (Operational)	No. of projects (Upcoming)
4	Essel Infra Projects*	707	-	2	-
5	Kalpataru Power Transmission Ltd.**	578	-	2	-
6	ReNew Transmission Ventures Private Limited	-	468	-	3

*Note: Essel has sold all 4 assets (both operational and upcoming) to Sekura Energy

**Note: Kalpataru has sold both its assets (operational and upcoming) to CLP India

***Note: Includes transmission projects awarded by centre in TBCB mode, till Oct-2023

Source: CEA, CRISIL Consulting

Delays in commissioning of transmission projects

Transmission projects face execution delays, majorly owing to receiving requisite clearances (forest clearance, environmental clearance, defence clearance etc.), RoW permissions, approvals from Power and Telecommunication Co-ordination Committee (PTCC), technical difficulties and other constraints. Transmission project requires stage I and stage II forest clearances from Ministry of environment and forest (MoEF), under which the transmission service provider needs to carry out the compensatory afforestation over degraded forest land. However, there are delays in obtaining suitable non-forest land (Requirement for Stage II clearance) for compulsory afforestation in the same state or union territory. Further there are right of way issues if transmission line passes through the farmland or from any private property. These delays result in a rise in project cost due to increase in interest cost payments, rise in other costs such material prices, staffing costs etc.

Operational power transmission projects have minimal risk

In the project construction phase, transmission assets face execution risks including right of way, forest, and environment clearances, increase in raw material prices etc. However, post commissioning, with the implementation of POC mechanism, there is limited offtake and price risk as described below. Thus, operational transmission projects have annuity like cash flows and steady project returns. The presence of TSA with availability-linked tariff results in cash flow stability.

Revenue recovery irrespective of asset utilisation limits off-take risk:

The transmission line developer is entitled to get an incentive amount (if availability is more than 98.5% for HVDC and more than 99.75% for HVAC) in the ratio of the transmission charges paid or actually payable at the end of the contract year. Also, in the case of low availability, a transmission licensee is liable to pay a penalty under the TSA, which will be apportioned in favour of the customers. Maintaining availability in excess of the targeted availability gives the relevant asset the right to claim incentives at pre-determined rates, ensuring an adequate upside to maintaining availability. However adequate training and deployment of advanced techniques such as use of helicopters for live line aerial patrolling, hot line maintenance, equipment condition monitoring including dynamic testing and use of thermos-vision scanning may result in higher transmission network availability.

Hence, revenue recovery is not linked to volume of power flowing through transmission assets as long as normative line availability is met.

Counter-party risk diversified: Given pan-India aggregation of revenue among all ISTS beneficiaries (TSPs) and not asset specific billing, the counter party risk is diversified. As the load growth increases, the pool of beneficiaries as well as transmission providers is likely to go up resulting in further diversification. Considering that no single counter party is over 15% of the pool, weighted average credit quality of the pool is significantly better than individual constituents. If a particular beneficiary delays or defaults, the delay or shortfall is prorated amongst all the licensees. Thus, delays or defaults by a particular beneficiary will have limited impact, which will be proportionate to its share in overall ISTS.

Illustration

Assuming the system has 3 ISTS licensees (L1, L2 and L3). The total transmission charge for any given period is INR 100 /- which is to be paid to the three licensees in the proportion of 50%, 30% and 20%. Assuming the recovery or total amount aggregated by PGCIL is INR 90 /- (shortfall of INR 10/-), the collection would be distributed to the three licensees in the proportion of their billing amounts as illustrated below:

ISTS Licensee	Transmission charge (INR)	Collection from DICs (INR)	Proceeds to ISTS Licensees (INR)
L1	50	90	45

L2	30		27
L3	20		19
Total	**100**		**90**

Also, if for some reason, some beneficiaries have defaulted or submitted the request for relinquishing long term open Access (LTOA), transmission charges per MW per month for the subsequent quarters are adjusted upwards for the remaining beneficiary. This methodology ensures that there is inbuilt gross up to ensure that there are no sustained delays or defaults without mitigation.

Collection risk offset owing to presence of CTU: All the inter-state transmission project enjoy strong payment security. The CTU is responsible for collecting the transmission charges from the beneficiary users and disbursing the same to inter-state transmission licensees. Central Transmission Utility of India Limited (100% subsidiary of PGCIL) is assigned the CTU function (carved out from PGCIL).

PGCIL has achieved 92.37% realization of its billing in H1 of fiscal 2024. As per PGCIL ~ Rs. 1,383 crore received against outstanding dues of ~ Rs. 2,400 crore with 7 Discoms settled in accordance with LPS Rules 2022 notification by MoP on June 03, 2022. Major dues are from J&K, Tamil Nadu, Uttar Pradesh and Telangana.

Payment security: The transmission service agreement includes an arrangement for payment security, which reduces under-recovery of revenues. Payment security is available in terms of a revolving letter of credit of required amount that can be utilized to meet the revenue requirement in case of a shortfall**.** It ensures that the TSP is paid for its services, and it also helps to protect the TSP from financial losses.

Relatively low probability of default: Beneficiaries are less likely to default on transmission charges as there exists limited alternative infrastructure to supply / off-take the power. As per the CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020, consequences of non-payment of dues by a DIC include regulation of power supply, denial of short-term Open Access by RLDC or NLDC and suspension or termination of Long-Term Access or Medium-Term Open Access. Further, the said Regulations also mandate Letter of Credit as instrument of payment security mechanism. If a DIC fails to pay any bill or part thereof by the Due Date, the Central Transmission Utility may encash the Letter of Credit. Further there are limitations on transmission utilities to pass on the additional cost incurred on account of penal interest to the end users. Given a confluence of the above factors, the beneficiaries are less likely to default. Moreover, transmission costs form a relatively lower proportion of the total operational costs. In fact, for most of the State Discoms, the interstate transmission charges account for less than 5% of the total power purchase cost.

Power transmission infrastructure has better risk-return profile

Returns from various infrastructure projects (other than transmission line projects) like roads, ports and power generation rely mostly on the operational performance of the assets, which in turn is dependent on factors where developers have limited control. For instance, in the roads sector (non-annuity-based project) the company's profits are dependent on collection of toll revenues, the port sector bears risk of cargo traffic, while in the case of power generation, it depends on availability of fuel and offtake by distribution companies.

Further, the counter party risk is higher in annuity-based roads projects as the sole revenue counter party for annuity-based payments is National Highway Authority of India (NHAI), while in the case of ISTS transmission projects the revenue counter party is a pool of distribution and generation companies, thus reducing the counterparty risk based on account of diversification.

Also, in the case of an inter-state transmission asset, the revenue stream is consistent based on the unitary charge (Rs. Million/annum) determined at the time of bidding for the entire concession period of 35 years. These charges are independent of the total power transmitted through the transmission lines and hence factors such as volume and traffic do not fluctuate the revenues.

Moreover, inter-state transmission assets have limited O&M costs as compared to other infrastructure assets. Typically, transmission projects incur relatively low O&M costs of 7-8 per cent of revenues in order to ensure normative availability. In comparison, road projects incur as high as 35-40 per cent as O&M costs.

In addition, transmission lines could also be used for providing telecom services thereby diversifying the revenue profile. Telecom and data service companies leverage the reach of the transmission towers in potential semi-urban and rural regions to offer their services. The telecom companies could plan low cost and high-quality telecom infrastructure on the existing and planned transmission line infrastructure. This can be done by using technologies such as OPGW – Optical Fibre Ground Wire over high voltage Transmission line and MPLS – Multi Protocol Label Switching. In fact, PGCIL has been able to leverage its assets by supporting telecom service providers. PGCIL operates its telecom business through a wholly-owned subsidiary named Powertel. During the year 2022-23, the Company's telecom network coverage increased to 82,294 km. The revenue from the telecom business rose to Rs. 728 crores in fiscal 2023, which constituted ~2% of its net revenues.

Comparison of transmission assets with other infrastructure assets

	Inter-state power transmission	Roads	Ports	Conventional power generation	Solar energy power generation	Wind energy power generation	Commercial Real Estate
Certainty of cash flows	● Driven by long-term agreements	◑ Traffic risk in BOT projects	◕ End-user industry risk	◑ Offtake and cost of fuel	● Broadly driven by long term agreements	● Broadly driven by long term agreements	◑ Preffered by global institutional investors and HNI investors but risks of seasonality
Counterparty risk	◕ Exposure limited to systemic risk	◑ Cost overruns, limited O&M impact toll collection	◑ Exposure to multiple end users	◑ Direct exposure to debt laden SEBs	◕ Faster clearance to payments under NVVN/ SECI Scheme (2-3 months). Weaker discoms delay the payments (5-6 months)	◕ Faster clearance to payments under NVVN/ SECI Scheme (2-3 months). Weaker discoms delay the payments (5-6 months)	◑ Regular challenges of delays and cancellations
Operational Risk	● Limited O&M requirements	◑ High O&M required	◕ Limited O&M requirements	◑ Substantial periodic maintenance needs	● Limited O&M requirements	◕ Substantial periodic O&M requirements	◕ Limited O&M requirements
Future Growth Potential	● Severe deficit in power transmission capacity	◕ High growth potential	◑ Good potential, limited by feasible locations	◑ Moderate potential from baseload power demand	● Governments to scale up capacity to 100 GW by FY2022 from ~12 GW in FY2017	● Governments to scale up capacity to 60 GW by FY2022 from ~32 GW in FY2017	◑ Pivoting towards hybrid models as work from home becomes more acceptable with digital means of communication
Competitive Environment	● Few credible players	◑ Highly competitive given multiple private players	◕ Few private players	◑ High competitiveness given multiple players	◑ Highly competitive given multiple private players	◑ Highly competitive given multiple private players	◑ Low number of large players, smaller ones merging due to impact on business
Summary	●	◑	◑	◑	●	●	◑

● Most Favourable ◕ Favourable ◑ Marginally Favourable

Source: CRISIL Consulting

Other key trends

Key technology trends

To meet the long-term power transfer requirement by fiscal 2027 and beyond as well as for the optimal utilization of right of way, large power evacuation corridors are needed to be planned, which requires advancements in transmission voltage, conductor technology, substation equipment and infrastructure etc.

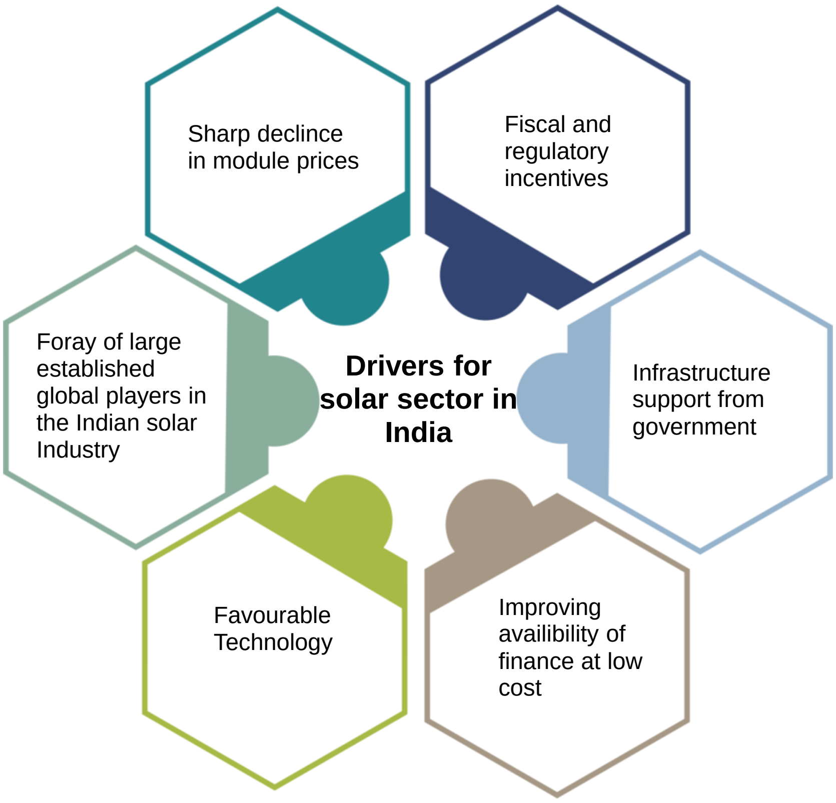
For instance, there have been use of Light Detection and Ranging (LIDAR) technology, which uses laser distance measuring technology to conduct topographic mapping with the help of aircrafts. Further, helicopters are used for stringing (heli stringing) of transmission lines. A helicopter pulls the rope through stringing wheels, which are attached to each arm of structure. Other newer technologies which help in automated inspection and maintenance planning such as drones are used to monitor lines spread over long distances. Further preventive maintenance of transmission lines is also done by modern equipment's which includes thermo vision scanning, punctured insulator detector, corona measurement devices etc.

Overview of solar energy sector in India

Overview of RE Sector in India

Renewable energy installations (incl. large hydro) have increased fivefold to ~179 GW as of October 2023, as compared with ~63 GW as of March 2012 (source: MNRE), led by various central and state--level incentives. As of Oct-2023, installed grid connected renewable energy generation capacity (incl. large hydro) in India constituted ~42% of the total installed generation base in India. In particular, this growth has been led by solar power, which has grown to ~72 GW from ~0.09 GW over the discussed time period.

Growth drivers for the solar sector in India



Source: CRISIL Consulting

Each growth driver for solar energy in India is detailed below:

1. Declining module prices and tariffs

The global average solar module price, which constitutes 55-60% of the total system cost, crashed 73% to \$0.47 per watt-peak in 2016 (average for January-December) from \$1.78 per watt-peak in 2010. In fact, prices continued to decline to \$0.22 per watt-peak by end-August 2019, owing to the wide demand-supply gap in the global solar module manufacturing industry. Historically, global solar demand has been half of the total module manufacturing capacity. Moreover, innovation in the manufacturing processes has reduced costs, putting downward pressure on module prices. Further, declining inverter prices (6-7% of the capital cost), which fell to \$21 per watt-peak by March 2020, reduced system costs. Module prices reached \$0.22 per watt-peak level in fiscal 2021.

2. Strong government thrust

The GoI has laid significant emphasis on climate change, for which it provided a framework, National Action Plan on Climate change (NAPCC), in 2008, where it proposed an eight-pronged strategy — National Solar Mission (NSM), energy efficiency, sustainable habitat, water planning, Himalayan ecosystem, afforestation, sustainable agriculture, and strategic knowledge on climate change. As can be seen, the GoI has laid significant emphasis on solar power. This is also evident from the 100 GW out of 175 GW target set out by the GoI.

Solar capacity additions in India from fiscals 2018-2023

Robust pick-up in solar additions in fiscal 2022; momentum expected to continue

The GoI imposing solar RPOs across Indian states in 2011, coupled with the sharp drop in capital costs, led to most states releasing solar polices. This resulted in a spur in solar sector investments. Till fiscal 2012, only Gujarat and Rajasthan had state solar policies. After the success of Gujarat's solar policy, other states such as Andhra Pradesh, Tamil Nadu, Karnataka, Madhya Pradesh, and Telangana introduced their respective solar polices.

During fiscal 2018-2023, ~55 GW of solar capacity has been commissioned compared with the expected commissioning of 60-65 GW. Despite the second pandemic wave, ~14 GW of solar capacity was added in fiscal 2022. The momentum continued in fiscal 2023, with robust solar capacity additions of ~13 GW.

Commissioning activity has been concentrated in the key states of Rajasthan, Gujarat, and Tamil Nadu, where of ~8 GW capacity was added in fiscal 2023; ~65% share was concentrated in these three states combined. In the previous fiscal as well, the installation trend was driven by the same states.

Sales model for RE projects driven by state & central allocations; REC and open access sales limited

In the current scenario, there are five operating business models for solar PV systems energy projects.

f. Sale of power to state discoms through long-term PPAs

g. Sale of power through long-term PPAs with NVVN and SECI under NSM

h. Sale of power under a bilateral agreement through an open access route

i. Captive consumption of renewable power via open access

j. Sale of power through the Renewable Energy Certificate route

Each model is discussed in detail below:

a. Sale of power to discoms

Discoms in India are buying renewable power from developers at either feed in tariffs (FiTs) or, in most cases, based on reverse e-auctions conducted by states. Many states have come up with their respective solar and wind policies (involving incentives, such as concessional wheeling and banking charges, nil cross-subsidy surcharge, no electricity duty, etc.) for setting up renewable energy projects. Discoms allocate these projects to meet solar and non-solar RPOs and reduce energy deficits in states.

For solar projects over 2009-2013, most states signed PPAs at FiTs determined by the state commissions on the fixed regulated equity return of ~16%. For wind energy projects, states followed the FiT mechanism till March 2017. However, from fiscal 2018, the sector veered towards competitive bidding.

As a part of the NSM, the government has appointed NTPC NVVN as the nodal agency for buying solar power (competitively bid), bundling it with the existing thermal power units generated by NTPC plants, and selling it to discoms at a bundled cost. The thought process behind this scheme was to reduce the solar power purchase price of discoms and improve the offtake of solar power, since most discoms would be averse to buying solar power at high rates owing to their poor financial condition.

Post the revision of solar capacity target from 20 GW in June 2015 to 100 GW by fiscal 2022, the government has introduced a framework under the NSM to allocate solar capacities under various batches, as following:

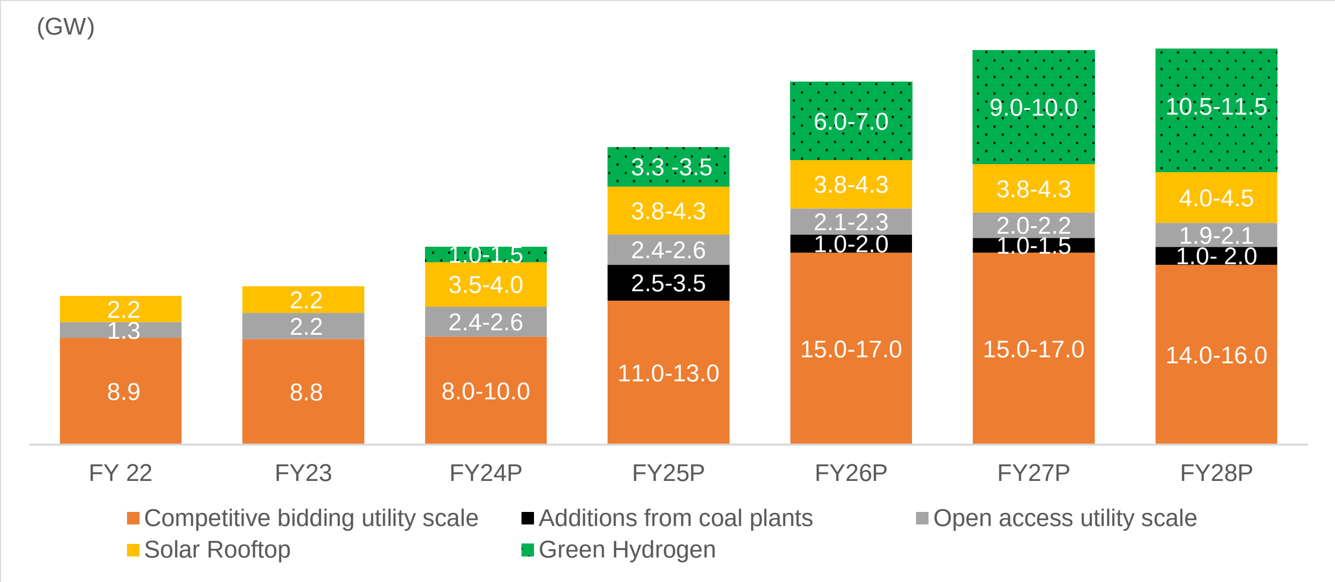
– Entire NSM Phase II Batch II Tranche I of 3,000 MW has been commissioned.
– Under NSM Phase II, Batch III, and Batch IV, SECI through its state-specific viability gap scheme (VGF) has tendered out ~7 GW of capacities, most of which has been completed.
– SECI has also tendered capacities under various other schemes, where ~23 GW is allocated and under construction, while ~6 GW is tendered.
– Under the state schemes, ~14 GW of projects are under construction and are expected to be commissioned over fiscals 2024-2028. Additional ~16 GW capacity of solar projects is expected to be up for bidding over the coming months.
– The government has expanded the 1 GW CPSU programme to 12 GW to encourage cash-rich central PSUs to set up renewable energy projects. About 922 MW, 1,104 MW, and 5,000 MW got allocated under Tranche I. II & III of this scheme, respectively. CRISIL Consulting expects ~5 to 6 GW from this scheme to be commissioned till fiscal 2027.

The bid tariffs under this scheme are low, on account of the following:

– Availability of infrastructure (land + transmission) under the solar park mechanism
– Lower payment delay/default risk associated with the trading agencies. Discoms are under a huge financial burden, delaying payments for renewable energy consumers, but payments under the NVVN and SECI schemes are on time
– Limited offtake risk
– Availability of strong payment security mechanism in the form of letter of credits and payment security fund, etc.

CRISIL Consulting expects 130-140 GW of solar capacity additions over fiscal 2024-2028. This will be driven by additions under:

Solar capacity additions of 130-140 GW expected over fiscals 2024-2028



P: Projected, Source: CRISIL Consulting

Supply-side disruptions, additional taxes, and intermittent hurdles such as the Great Indian Bustard (GIB) litigation have often led to a pile-up of tenders in the market or an increase in bid tariffs, prolonging the time taken to sign PSAs with distribution utilities. Robust allocations over fiscals 2018 to 2020 propped up a healthy pipeline for commissioning over fiscals 2023 to 2024; fiscal 2021 was a weak year, given the pandemic-led halt in activities. However, allocations and consequent additions to the pipeline turned weaker post fiscals 2018 and 2019, comparatively, with allocation getting delayed. That said, nodal agencies, especially central, are keen on allocating large tenders hereon, such as the manufacturing-linked 7 GW tender, or those in the range of 1.2-2.5 GW in the current scenario.

OUR BUSINESS

Overview

We are India's first listed power sector infrastructure investment trust, sponsored by the Sponsor, being Esoteric II Pte. Ltd., a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR. IndiGrid was established on October 21, 2016 and is registered with SEBI pursuant to the InvIT Regulations. IndiGrid was established to own and operate power transmission and renewable energy assets in India. We own 33 operating projects, consisting of 17 transmission projects and 16 solar projects. The transmission projects consist of 46 EHV overhead power transmission lines, comprising 132 kV transmission lines, 400 kV transmission lines and 765 kV transmission lines, with a total circuit length of approximately 8,468 ckms and 13 substations with approximately 17,550 MVA of transformation capacity, across 19 states and 1 union territory in India. The Solar Projects have an aggregate capacity of 555 MW and are located across the states of Andhra Pradesh, Punjab, Tamil Nadu, Rajasthan, Gujarat, Maharashtra, Madhya Pradesh and Uttar Pradesh. IndiGrid has assets under management worth of approximately ₹ 2,69,000 million as on September 30, 2023. IndiGrid Investment Managers Limited, is the investment manager of the InvIT and is 100% owned by Electron IM Pte. Ltd., an affiliate of KKR. We have consistently been assigned a credit rating of 'CRISIL AAA/Stable' by CRISIL, 'IND AAA'/Stable by India Ratings and '[ICRA] AAA (Stable)' by ICRA.

We are focused on providing stable and sustainable distributions to our Unitholders. We believe that we are well positioned to take advantage of the growth potential of India's power industry given the quality of our power transmission assets and our financial position, support from our Sponsor and the robust regulatory framework for power transmission and solar projects in India. We believe the infrastructure necessary to transmit and deliver electricity is vital to India's continued economic advancement, given the inter-regional power deficit in India resulting from a mismatch between power generation and load centers and the demand-supply deficit which is expected to result from India's projected GDP growth.

Our continued focus and strategy will be on accretive acquisition of power transmission and solar projects with annuity profile in their respective TSAs and long terms PPAs yielding stable cash flows, operational track record, good quality equipment and financially strong and creditworthy counterparties. For further details, please see the section entitled "*Industry Overview*" on page 169.

We own 33 projects: (i) BDTCL, JTCL, PKTCL, RTCL, MTL, NTL, OGPTL and ENICL, that we acquired from SPTL in May 2017, May 2017, February 2018, February 2018, February 2018, June 2019, July 2019, May 2020, respectively and GPTL that we acquired from SGL4 in August 2020; (ii) PTCL, that we acquired from TEECL and TPGCL in August 2018; (iii) JKTPL that we acquired from KPTL and TEECL in October 2020; (iv) PrKTCL that we acquired from Reliance Infrastructure Limited in January 2021; (v) NER, which was acquired from SGL4 in March 2021, (vi) Kallam which was acquired from REC Power Development and Consultancy Limited in December 2021, (vii) IGL Solar I and IGL Solar II, which were acquired from FRV Solar Holdings XI B.V in July 2021, (viii) RSTCPL, which we acquired from Patel Engineering Limited, Simplex Infrastructures Limited and BS Limited in November 2022;(ix) KTL, which we acquired from SPTL in March, 2023; and (x) GGEPL, UMD, USUPL, GSPPL, PLG, Solar Edge, TKSPL, TSEG, TNSPEPL, TRSPL, TSEC, TSEN, TSET, TSEP and TSESPL which were acquired through the acquisition of VRET on August 25, 2023 (together the "**Portfolio Assets**"). IndiGrid indirectly holds 100% of equity shares of the Virescent IM (which is a deemed public company, being a subsidiary of IndiGrid Limited) and the Virescent PM (which is a deemed public company, being a subsidiary of IndiGrid Limited).

Esoteric II Pte. Ltd. is the sponsor of IndiGrid. Esoteric was incorporated under the laws of Singapore as a private company limited by shares. Esoteric, by way of its letter dated September 8, 2020, to the Investment Manager, proposed to seek induction as a 'sponsor' of IndiGrid, in accordance with Regulation 22(7) of the InvIT Regulations. Subsequently, the unitholders of IndiGrid approved the induction of Esoteric as a 'sponsor' of IndiGrid pursuant to the annual general meeting of IndiGrid held on September 28, 2020. Esoteric is a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR. Founded in 1976, KKR is a leading global investment firm, with approximately US$528 billion of assets under management as of September 30, 2023 that offers alternative asset management as well as capital markets and insurance solutions. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people and supporting growth in its portfolio companies and communities.

Esoteric II Pte. Ltd. currently owns a stake of around 22.7% in IndiGrid. Separately, Electron IM Pte. Ltd., an affiliate of KKR, currently owns 100% of the issued, paid-up and subscribed capital of the Investment Manager.

IndiGrid acquired 100% of the issued and outstanding units of VRET, from Terra Asia Holdings II Pte. Ltd. (the erstwhile sponsor of VRET and a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR) and other unitholders of VRET. For further details, please see the sections entitled "*Description of Portfolio Assets – Acquisition of the VRET Assets*" on page 33.

While infrastructure investment trusts are required to distribute at least 90% of their net distributable cash flows to unitholders once at least every six months in every financial year, according to the InvIT Regulations, we have adopted a quarterly distribution policy. For further details on our distribution policy, please see the section entitled "*Distribution*" on page 275. We believe our assets, financial position and business model will enable us to offer stable distributions to our Unitholders.

Following the utilization of the Issue Proceeds, our aggregate consolidated borrowings and deferred payments (net of cash and cash equivalents) will not exceed 70% of the total value of our assets. Our consolidated total income was ₹ 24,142.88 million in fiscal 2023 EBITDA on a consolidated basis was ₹ 21,113.19 million in fiscal 2023. Our consolidated total income was ₹ 13,747.24 million in the six-month period ended September 30, 2023. EBITDA on a consolidated basis was ₹ 11,251.95 million in the six-month period ended September 30, 2023.

On the basis of our strengths and through the implementation of our strategies, we believe that we are well-positioned to capitalize on the growth potential of India's power transmission and renewable energy industry.

Competitive Strengths

Stable cash flows from assets with minimal counterparty risks

- Most of our revenues are derived out of contracted tariffs under long-term contracts (up to 35 years or 25 years (for ENICL and JKTPL), unless extended) from the majority of our Portfolio Assets with relatively low operating and maintenance costs.

- Each of the Solar Assets have entered into long term PPAs with the weighted average residual term of the PPAs, calculated using DC capacity, of approximately 18 years.

- Inter-state power transmission projects receive tariffs on the basis of availability, irrespective of the quantum of actual power transmitted through the line.

- Power transmission projects and solar projects are characterized by low levels of operating risk. The Portfolio Assets are operational power transmission and solar projects. All our Portfolio Assets have an operating history of at least one year. The Portfolio Assets have minimal construction risks and are not subject to any major capital expenditure.

- We have maintained an annual availability for the majority of our Transmission Assets in excess of 98% since commissioning for which we have earned maximum incentive revenues under the respective TSAs. Maintaining availability of such Transmission Assets in excess of 98% gives us the right to claim incentives under the TSA, ensuring an adequate upside to maximize availability. The amount of incentive revenue earned increases as our availability levels increase, with a maximum incentive revenue earned for maintaining 99.75% (or ranging between 98% to 100% in case of JKTPL and between 98.5% and 99.75% in case of PrKTCL) availability.

- Further, the Solar Assets have maintained an average DC plant load factor ("**PLF**") of 17.09%, 17.01%, 16.74% and 17.11% during the six month period ended September 30, 2023 and the Fiscals 2023, 2022 and 2021, thus allowing us to maintain stable cash flows from our Solar Assets.

Tariffs under the ISTS project TSAs, which contribute to the majority of our Transmission Assets, are billed and collected pursuant to the PoC mechanism. Under the PoC mechanism, payments are made to a central payment pool and the proceeds are distributed proportionately to all transmission services providers, such as the Transmission Assets. Any shortfall in collection of transmission charges by the CTU is shared on a *pro rata* basis by all transmission service providers. Payment securities in the form of a revolving letter of credit, a late payment surcharge of 1.25% per month for delay in payment beyond 60 days from the date of billing, pursuant to provisions of the project TSAs (and a late payment surcharge of 1.50% per month pursuant to the Sharing of Charges and Losses Regulations) and lack of alternate power infrastructure, deter beneficiaries from defaulting. This mechanism diversifies counterparty risk, ensures a stable cash flow independent of asset utilization and provides payment security. In accordance with the terms of the PPAs, the Solar Projects have a pre-determined tariff structure.

Strong financial position

- We have been assigned a credit rating of 'CRISIL AAA/Stable' by CRISIL, 'IND AAA'/Stable by India Ratings and '[ICRA] AAA (Stable)' by ICRA. Following the utilization of the Issue Proceeds, our aggregate consolidated borrowings and deferred payments (net of cash and cash equivalents) will not exceed 70% of the total value of our assets. We also have a track record of continuous distributions for the past three financial years.

Ownership and location of assets

- All our Transmission Assets are located in strategically important areas for electricity transmission connectivity, delivering power from generating centers to load centers to meet inter-regional power deficits. Once a transmission project has been commissioned, it requires relatively low levels of expenditure to operate and maintain, which means that the assets will have the benefit of owning a critical asset without incurring significant operational costs.

- The transmission lines of the Portfolio Assets are predominantly located in areas where developing alternate lines may be challenging due to the terrain, challenges in obtaining rights of way, limited corridors and high construction costs. This puts us in an advantageous position to capitalize the opportunities to increase our power transmission capacity through the same corridor by upgrading our existing systems.

- Further, our Solar Projects are strategically located in high irradiation areas. The projects are located across seven states of India, being, Tamil Nadu, Uttar Pradesh, Maharashtra, Gujarat, Madhya Pradesh, Punjab and Andhra Pradesh.

Strong lineage and support from the Sponsor

- Esoteric II Pte. Ltd. is the sponsor of IndiGrid. Esoteric was incorporated under the laws of Singapore as a private company limited by shares. Esoteric, by way of its letter dated September 8, 2020, to the Investment Manager, proposed to seek induction as a 'sponsor' of IndiGrid, in accordance with Regulation 22(7) of the InvIT Regulations. Subsequently, the unitholders of IndiGrid approved the induction of Esoteric as a 'sponsor' of IndiGrid pursuant to the annual general meeting of IndiGrid held on September 28, 2020.

- Esoteric II Pte. Ltd. is a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR. Founded in 1976, KKR is a leading global investment firm, with approximately US$528 billion of assets under management as of September 30, 2023, that offers alternative asset management as well as capital markets and insurance solutions. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people and supporting growth in its portfolio companies and communities. Esoteric II Pte. Ltd. currently owns a stake of around 22.7% in IndiGrid. Separately, Electron IM Pte. Ltd., an affiliate of KKR, currently owns 100% of the issued, paid-up and subscribed capital of the Investment Manager.

- In 2008, KKR established a dedicated infrastructure team and strategy focused on global investment opportunities. KKR has been one of the more active infrastructure investors globally over the past several years, having made approximately 75 infrastructure investments globally and more than US$50 billion in assets under management within infrastructure.

- Today, KKR's infrastructure platform has expanded to include approximately 90 dedicated investment professionals across 10 offices covering a broad spectrum of investment opportunities in various infrastructure subsectors, including: midstream energy, renewables, power & utilities, water and wastewater, waste, telecommunications and transportation, among others. KKR continually monitors infrastructure sectors and infrastructure-related investments for emerging trends and may identify and prioritize investments in other sectors as conditions change or cycles evolve.

- We have leveraged and continue to leverage the experience and expertise of the Sponsor, to gain a competitive advantage within the Indian power industry.

Strong corporate governance and skilled and experienced Investment Manager

We benefit from the skills and experience of the board of directors and the management teams of our investment manager, IndiGrid Investment Managers Limited, in investing and financially managing our power transmission and renewable energy assets for the beneficial interest of our Unitholders. Some of the members of our Investment Manager's board of directors and management teams have extensive experience in the power transmission sector and have established track records in negotiating, structuring and financing investments in power transmission assets and financially managing these assets as well as governing similar trusts internationally. For further details, please see the section entitled "*Parties to IndiGrid*" on page 131.

The InvIT Regulations set out the statutory requirements for, among other things, the board composition of an investment manager, which promotes strong corporate governance in IndiGrid. The key features of our corporate governance structure are as follows:

- The chairman of the board of our Investment Manager is an independent director with experience in the infrastructure sector.

- The Investment Manager has constituted committees of the board, including amongst others, the stakeholders' relationship committee, the audit committee, the investment committee and the risk management committee. All these committees are chaired by independent directors.

- All related party transactions with our Sponsor are required to be approved by the investment committee (50% of which consists of independent directors) and the audit committee of the Investment Manager, which is majorly comprised of independent directors.

- Electron IM Pte. Ltd., an affiliate of KKR, owns 100% of the issued, paid-up and subscribed capital of the Investment Manager.

Business Strategy

Focused and diversified Portfolio Assets

We focus on owning power transmission, renewable energy and battery energy storage system assets with long-term contracts, low operating risks and stable cash flows consistent with the characteristics of our Portfolio Assets as well as other assets which we intend to acquire in the future (such as KBPL, which we have incorporated recently). We believe that by focusing on this asset class and leveraging our Investment Manager's industry knowledge and experience, we will maximize our strategic opportunities and overall financial performance.

We are focused on the Indian market, where we believe that private participation in the power transmission sector will continue to grow significantly.

We believe that IndiGrid is suitably placed to diversify into other similar infrastructure asset class and further increase the returns for its Unitholders without diluting the risk profile. We believe that renewable energy sector in India has matured and our proposed diversification in solar energy projects would result in improved returns to Unitholders. We believe there is an attractive opportunity to aggregate good quality power transmission and solar projects, (i) having TSAs and an annuity profile in their respective long terms PPAs, respectively, which is also consistent with our investment philosophy of long term cash yielding stable projects; (ii) with operational track record for a well-capitalized platform like ours; (iii) with good quality equipment; and (iv) financially strong and creditworthy counterparties.

Pursue additional transmission revenue

We aim to achieve high availability to earn incentive revenue on a sustainable basis through a Reliability Centered Maintenance approach by deploying prudent asset management practices, conducting routine and predictive maintenance and using advanced technology, such as drones to monitor and maintain lines, thermo-vision scanning, puncture insulator detectors and corona measurement devices for preventive maintenance. We also intend to continue following prudent maintenance practices, which improve business performance, reduce our costs and increase revenues generated by the Transmission Assets by maintaining high transmission availability. Maintenance of the targeted availability rates entitle our projects to receive incentive revenues under the applicable TSA and tariff regulations. We have signed a multi-year collaboration agreement to build an artificial intelligence (AI)-enabled asset management platform to increase the efficiency of our assets. We intend to continue applying advanced technology to better manage and operate our Portfolio Assets.

We also intend to capitalize on such capacity enhancement opportunities, once the framework for compensating existing transmission lines is crystalized by the government.

Institute and maintain optimal capital structure

We intend to maintain a balanced capital structure and consolidated leverage to provide for a stable and predictable cash flow. Following the utilization of the Issue Proceeds, our consolidated borrowings and deferred payments net of cash and cash equivalents will be below 70% of the total value of our assets, as prescribed by the InvIT Regulations. If such borrowings and payments exceed 49%, we are required to obtain a credit rating of "AAA" or equivalent for the consolidated borrowing and proposed borrowing under the InvIT Regulations.

We intend to consider both private and public markets for debt capital to provide the most balanced and optimal capital structure to acquire additional power transmission and renewable energy projects. We also intend to maintain appropriate risk policies to help mitigate foreign exchange and market risks.

Value accretive growth through acquisitions

Our future growth is intended to be derived mainly from our Investment Manager's value accretive acquisition strategy, which will be focused primarily on acquiring power transmission projects and renewable energy projects, which provide long-term, regular and predictable cash flows, demonstrate potential to maintain or enhance returns to Unitholders and the potential for long-term capital growth in accordance with our investment objectives.

IndiGrid acquired 100% of units in Virescent Renewable Energy Trust ("**Unit Acquisition**") on August 25, 2023. Virescent

Renewable Energy Trust ("**VRET**") was an infrastructure investment trust registered with SEBI in accordance with the provisions of the InvIT Regulations on February 25, 2021, having registration number IN/InvIT/20-21/0018. The units of VRET were issued on a private placement basis and were listed on National Stock Exchange of India Limited since September 2021.

Accordingly, VRET's portfolio is now held by IndiGrid. Such portfolio comprises of 14 renewable energy assets (the "**VRET Assets**"), with total capacity of approximately 478 AC capacity (MW) comprising of operational solar assets which are spread across seven states in India and 1 transmission asset.

We may also acquire other power transmission projects that may be at an early stage where they have not yet generated regular and stabilized cash flows and through the TBCB mechanism. We entered into a Framework Agreement dated December 21, 2022 with GR Infra for the purposes of acquisition of the Framework Asset.

The Framework Agreement

The Framework Agreement records the detailed processes, terms and conditions for the sale of the Framework Asset by GR Infra to IndiGrid (or its Affiliates (as defined in the Framework Agreement). Pursuant to the Framework Agreement, IndiGrid has agreed to purchase, in a single or multiple tranches, 100% of the issued and paid-up share capital of, and legal, beneficial and economic interest in, the Framework Asset, either directly or through its Affiliates (as defined in the Framework Agreement) by executing share purchase agreements and other definitive documents. The acquisition is subject to, amongst other things, (i) achievement of COD of the Framework Project; (ii) induction of all elements of the Framework Project under the PoC Mechanism; (iii) execution of definitive documents for the purposes of the acquisition of the Framework Asset; (iv) receipt of all necessary corporate approvals.

Further, the Parties have agreed that from the date of the Framework Agreement until the acquisition date, GR Infra may not, and shall ensure the Framework Agreement will not, without IndiGrid's prior written consent, conduct certain activities, such as: (a). sale, transfer or dispose of the assets of the Framework Asset, other than as required under ordinary course of business; (b) change the indebtedness or refinancing terms of the Framework Asset other than as agreed upon in the Framework Agreement; (c) issuance of any equity or convertible securities of the Framework Asset; (d). transfer the shares of the Framework Asset to third parties; or (e). discontinue the insurance of the Framework Project. Further, pursuant to the Framework Agreement, the Parties have provided certain representations and warranties to each other, including, amongst others: (a). each of the Parties are duly incorporated; (b). due authorization to execute, deliver and perform the Framework Agreement; and (c). enforceability and validity of the Framework Agreement.

We expect that the experience of our Investment Manager and our financial position will competitively position us to acquire power transmission assets. Further, IndiGrid intends to acquire renewable energy projects with robust power purchase agreements, operational track record and financially strong counterparties or off-takers. In addition to long contract life and lower risk cash flows, solar projects complement transmission portfolio with synergies on operations and regulatory establishments. With the operational and financial synergies, such diversification is expected to result in additional accretion for Unitholders while maintaining cash flows to Unitholders.

We consider that the fragmented nature of the Indian renewable energy industry and the growth of the renewable energy market will continue to offer consolidation opportunities. We intend to continue our expansion through an active evaluation of inorganic opportunities and may also consider organic opportunities in accordance with InvIT Regulations. We will evaluate acquisition opportunities based on our targeted returns, operational scale and diversification criteria and on whether we consider these opportunities to be available at reasonable prices. We believe that our experienced operational and management teams will enable us to identify, structure, execute and integrate acquisitions effectively based on our demonstrated ability to acquire high quality renewable energy projects.

Distribution Policy

We intend to distribute at least 90% of our net distributable cashflows available to Unitholders once in every quarter. For further details, please see the section entitled "*Distribution*" on page 275.

We aim to pursue additional transmission and renewable energy, as well as non-transmission or non-renewable energy revenues for the Portfolio Assets as well as acquire additional assets, in order to increase the cash available for distribution and, as a result, increase our distribution per Unit. Also see "*—Pursue non-transmission and non-renewable energy revenues*" below.

Our ability to grow the revenues from our asset portfolio and thereby increase the cash available for distribution and distributions per Unit, is subject to a number of factors and other risks described under the section entitled "*Risk Factors*" on page 87.

Pursue non-transmission or renewable energy revenues

We believe that transmission assets provide potential for non-transmission revenues, including as follows:

- ***Optical ground wire leasing***: Given the rapid growth in internet usage in India, there is a need to install optical fiber lines to improve speed of communication, and we have incurred necessary capital expenditures to use our transmission lines as high-speed optical power ground wires. However, for commercial viability, optical power ground wires need to have extensive connectivity and leasing of optical fiber networks also requires certain government approvals. We intend to enter into licensing arrangements with companies having wider networks and requisite approvals, in compliance with applicable law. As at the date of this Preliminary Placement Document, we have not entered into any such arrangements.

- ***Tower leasing***: Given the rapidly increasing smartphone penetration and expanding data usage in India, telecommunications companies are required to incur significant capital expenditures to expand their tower network. Transmission towers provide ready-made installation sites for base transceiver station equipment and can be leased by telecommunication companies as a cost-efficient alternative to constructing new towers. We intend to enter into licensing arrangements with companies, in compliance with applicable law. As at the date of this Preliminary Placement Document, we have not entered into any such arrangements.

  Further, we propose to utilize the spare fibre available with certain of our Portfolio Assets from the installed OPGW for leasing to certain telecom service providers and propose to enter into business development agreements with Sterlite Interlinks Limited in relation to the same. As at the date of this Preliminary Placement Document, we have not entered into any such agreements or arrangements. We intend to pursue similar arrangements for the other Portfolio Assets and for each new power transmission project that we acquire, which have optical power ground wires. We intend to pursue similar arrangements for the other Portfolio Assets and for each new power transmission project that we acquire, which have optical power ground wires.

- ***Battery energy storage systems:*** A letter of intent/acceptance for design, supply, testing, installation, commissioning, operation and maintenance of 20 MW/40 MWh battery energy storage system at Kilokari Grid station, was given to IndiGrid 2 Limited by BSES Rajdhani Power Limited on October 23, 2023. We have recently incorporated KBPL on November 6, 2023 under the Companies Act, 2013, for such battery energy storage system projects. The project is currently at pre-execution stage.

IndiGrid Structure

IndiGrid is an infrastructure investment trust that was established on October 21, 2016 by SPTL, the erstwhile sponsor of the Trust, and is registered with SEBI pursuant to the InvIT Regulations. Esoteric II Pte. Ltd. by way of its letter dated September 8, 2020 to the Investment Manager, proposed to seek induction as a 'sponsor' of IndiGrid, in accordance with Regulation 22(7) of the InvIT Regulations. Esoteric II Pte. Ltd, was inducted as one of the sponsors of IndiGrid pursuant to the annual general meeting of IndiGrid held on September 28, 2020. Subsequently, SPTL was declassified as a sponsor of IndiGrid with effect from July 6, 2023. Further, Electron IM Pte. Ltd., an affiliate of KKR, currently owns 100% of the issued, paid-up and subscribed capital of the Investment Manager. For further details, please see the section entitled "*Parties to IndiGrid*" on page 131.

The Sponsor

Esoteric II Pte. Ltd. is the sponsor of IndiGrid. Esoteric was incorporated under the laws of Singapore as a private company limited by shares. Esoteric, by way of its letter dated September 8, 2020, to the Investment Manager, proposed to seek induction as a 'sponsor' of IndiGrid, in accordance with Regulation 22(7) of the InvIT Regulations. Subsequently, the unitholders of IndiGrid approved the induction of Esoteric as a 'sponsor' of IndiGrid pursuant to the annual general meeting of IndiGrid held on September 28, 2020. Esoteric is a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR. Founded in 1976, KKR is a leading global investment firm with approximately US$528 billion of assets under management as of September 30, 2023, that offers alternative asset management as well as capital markets and insurance solutions. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities. Esoteric II Pte. Ltd. currently owns a stake of around 22.7% in IndiGrid. Separately, Electron IM Pte. Ltd., an affiliate of KKR, currently owns 100% of the issued, paid-up and subscribed capital of the Investment Manager.

KKR's Global Infrastructure Strategy

In 2008, KKR established a dedicated infrastructure team and strategy focused on global investment opportunities. KKR has been one of the more active infrastructure investors globally over the past several years, having made approximately 75 infrastructure investments globally and more than US$50 billion in assets under management within infrastructure.

Today, KKR's infrastructure platform has expanded to include approximately 90 dedicated investment professionals across 10 offices covering a broad spectrum of investment opportunities in various infrastructure subsectors, including: midstream energy, renewables, power & utilities, water and wastewater, waste, telecommunications and transportation, among others. KKR continually monitors infrastructure sectors and infrastructure-related investments for emerging trends, and may identify and prioritize investments in other sectors as conditions change or cycles evolve.

KKR's Track Record in India

KKR has invested or committed over US$6.7 billion of equity in private equity and infrastructure deals in India since 2010 with over 20 investments made and more than a dozen active portfolio companies today. KKR believes the long-term economic outlook in India is positive given structural reforms, despite recent volatility and continue to see attractive investment opportunities in the country.

India is one of the key markets that KKR's Asia Pacific Infrastructure strategy will actively seek to invest in. KKR believes that population growth is expected to drive significant demand for infrastructure in India over the next 25 years. This, combined with stable macroeconomic indicators, structural reforms, thrust on infrastructure development, and constructive FDI regime will continue to result in high foreign capital inflows and provide the needed impetus to make India a favored infrastructure investment destination.

KKR's private equity current and past investments in India include, but are not limited to:

- Aricent Group (2009)
- Dalmia Cement (2010)
- Coffee Day Resorts Private Limited (2010)
- Magma Fincorp Limited (2011)
- TVS Logistics Services (2012)
- Alliance Tire Group (2013)
- Gland Pharma (2014)
- Emerald Media (2015)
- Max Financial Services (2016)
- Avendus Capital (2016)
- SBI Life Insurance (2016)
- Indus Towers Limited (f.k.a. Bharti Infratel) (2017 & 2008)
- Max Healthcare Institute (2017)
- Re Sustainability (f.k.a. Ramky Enviro Engineers) (2018)
- Lighthouse Learning (f.k.a. Eurokids) (2019)
- Reliance Jio Platforms (2020)
- Reliance Retail (2020)
- JB Chemicals (2020)
- Five-Star Business Finance (2021)
- Lenskart (2021)
- Vini Cosmetics (2021)
- Ness Digital Engineering (2022)
- Advanta Seeds (2022)
- Sriram Insurance (2022)

KKR's Infrastructure investments in India include:

- IndiGrid (2019)
- Virescent Infrastructure (2020)
- Highway Concessions One (2021)
- Hero Future Energies (2022)
- Serentica Renewables (2022)
- LEAP India (2023)

For further details, please see the section entitled "*Parties to IndiGrid – The Sponsor and Sponsor Group – Esoteric II Pte. Ltd.*" on page 131.

The Project Manager

IGL is the Project Manager for the Portfolio Assets in accordance with the Project Implementation and Management

Agreement. For further details, please see the sections entitled "*Parties to IndiGrid*" and "*Description of Portfolio Assets – IndiGrid Limited*" on pages 131 and 27.

The Investment Manager

IndiGrid Investment Managers Limited, owned by Electron IM Pte. Ltd., an affiliate of KKR, is our Investment Manager and takes decisions concerning our assets for the beneficial interest of our Unitholders. The Investment Manager has overall responsibility for setting our strategic direction and deciding on the acquisition, divestment or enhancement of our assets in accordance with its stated investment strategy.

The Investment Manager has the key objective of generating sustainable income with long-term growth potential and investing in power transmission and renewable energy assets to provide our Unitholders with regular distributions at a competitive rate of return, in accordance with the InvIT Regulations and the Investment Management Agreement.

For further details, please see the section entitled "*Parties to IndiGrid – The Investment Manager – IndiGrid Investment Managers Limited*" on page 143.

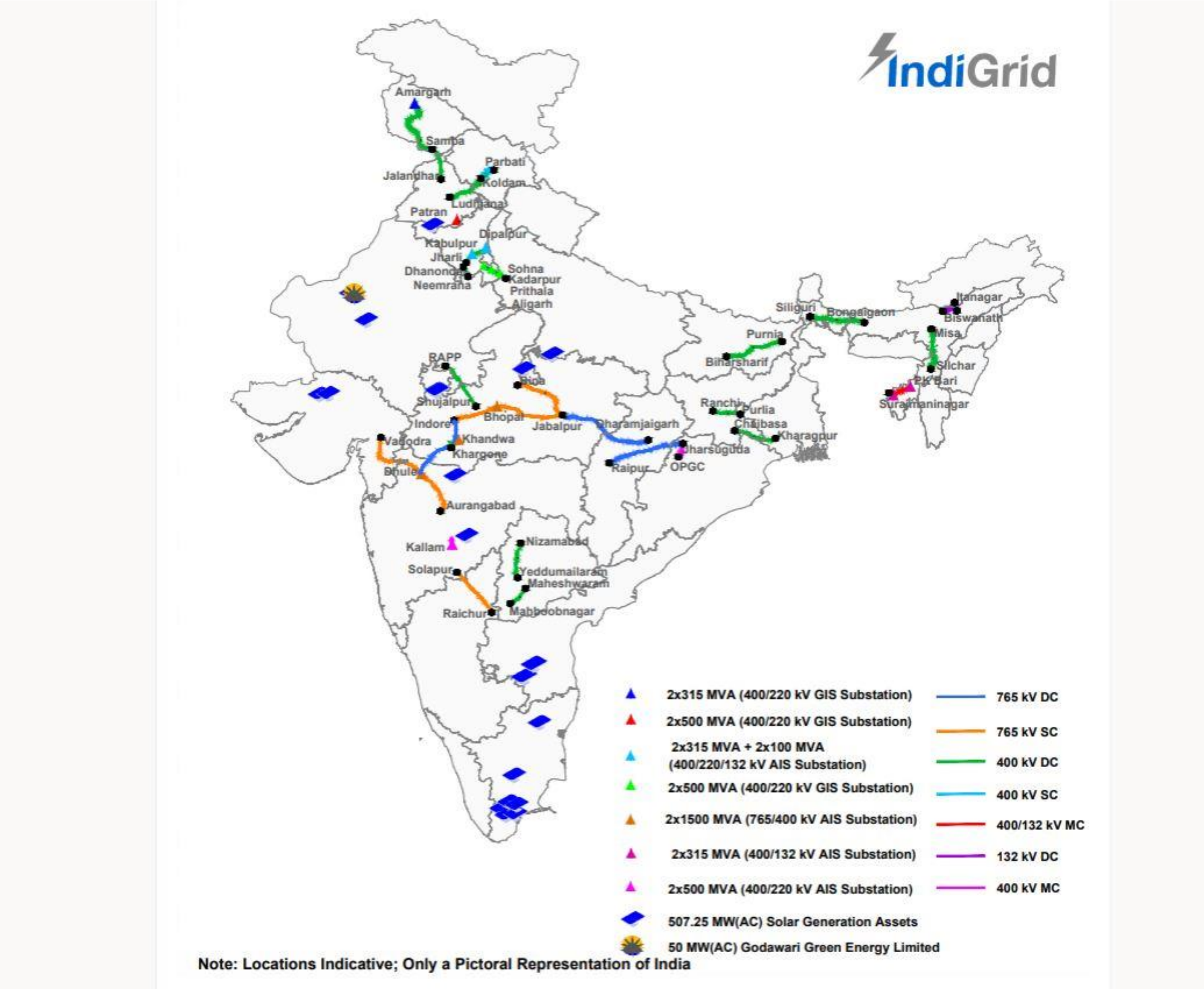
The Trustee

Axis Trustee Services Limited is the trustee in respect of IndiGrid. On behalf of our Unitholders, the Trustee is responsible for ensuring that our business activities and investment policies comply with the provisions of the InvIT Documents and the InvIT Regulations as well as monitoring the activities of the Investment Manager under the Investment Management Agreement and the Project Manager under the Project Implementation and Management Agreement.

For further details, please see the section entitled "*Parties to IndiGrid – The Trustee – Axis Trustee Services Limited*" on page 133.

The Portfolio Assets

The Portfolio Assets comprise thirty three power transmission and solar projects located across several states in India. The following map shows the locations and breakdown of the Portfolio Assets:



The Transmission Assets

The Transmission Assets comprise sixteen power transmission located across several states in India. IndiGrid owns, directly or indirectly, 100% of most of the Transmission Assets. The transmission projects consist of 46 EHV overhead power transmission lines, comprising 132 kV transmission lines, 400 kV transmission lines and 765 kV transmission lines, with a total circuit length of approximately 8,468 ckms and 13 substations with approximately 17,550MVA of transformation capacity, across 19 states and 1 union territory in India. Majority of our Transmission Assets have in place long-term TSAs of 35 years or 25 years (in case of ENICL and JKTPL) from the scheduled commercial operation date of the relevant Transmission Asset. The TSAs have a contract term of 35 years or 25 years (in case of ENICL and JKTPL) from the scheduled commercial operation date, after which we can apply to CERC for renewal if not unilaterally extended by CERC.

Most of the Transmission Assets, were originally awarded under the TBCB mechanism on a BOOM basis. The power transmission projects earn revenue pursuant to long-term TSAs and tariff orders passed by CERC in accordance with the Electricity Act. These projects receive availability-based tariffs under the TSAs irrespective of the actual quantum of power transmitted through the line. The tariff for inter-state power transmission projects in India, including our power transmission projects, is contracted for the period of the TSA, which is up to 35 years from the scheduled commission date of the asset (other than ENICL and JKTPL, which is 25 years), which may be renewed in accordance with the TSA and the Electricity Act. The revenues generated by intra-state transmission assets (being, JKTPL) are not dependent on a regulatory order and are dependent on tariffs as determined in terms of the relevant TSA, and such intra-state transmission assets recover tariffs equivalent to a base unitary charge which is subject to annual revisions. For further details on the TBCB mechanism and the Indian electricity transmission industry, please see the section entitled "*Industry Overview*" on page 169.

Tariffs under these TSAs are billed and collected pursuant to the PoC mechanism, a regulatory payment pooling system offered to ISTS such as the systems operated by majority of our Portfolio Assets. Under the PoC mechanism, payments are made to a central payment pool and the proceeds are distributed proportionately to all transmission services providers, such as the Portfolio Assets. The availability-based tariffs and PoC payment mechanism enable a stable and certain cash flow stream. For further details, please see the section entitled "*Industry Overview*" on page 169.

The following table sets forth a summary description of the Transmission Assets:

Project Name	Transmission Line /Substation	Configuration	Route Length (ckms)	Actual commission date	Expiry of the term of the TSA	Total transformation capacity (in MVA)
BDTCL	Bhopal – Indore	765 kV S/C transmission line	176	November 19, 2014	March 2049	NA
	Dhule – Aurangabad	765 kV S/C transmission line	192	December 5, 2014		NA
	Dhule – Vadodara	765 kV S/C transmission line	262	June 13, 2015		NA
	Bhopal – Jabalpur	765 kV S/C transmission line	260	June 9, 2015		NA
	Dhule – Dhule	400 kV D/C transmission line	36	December 6, 2014		NA
	Bhopal – Bhopal	400 kV D/C transmission line	18	August 12, 2014		NA
	Bhopal substation	2 x 1,500 MVA 765/400 kV	-	September 30, 2014		3000 MVA
	Dhule substation	2 x 1,500 MVA 765/400 kV	-	December 6, 2014		3000 MVA
JTCL	Jabalpur-Dharamjaigarh	765 kV D/C transmission line	759	September 14, 2015	March 2049	NA
	Jabalpur-Bina	765 kV S/C transmission line	235	July 1, 2015		NA
PKTCL	Kharagpur (WBSETCL)-Chaibasa (PG)	400 kV D/C transmission line	322	June 18, 2016	April 2051	NA
	Purulia PSP (WB)-Ranchi PG	400 kV D/C transmission line	223	January 7, 2017		NA
RTCL	RAPP—Shujalpur	400 kV D/C transmission line	403	March 1, 2016	February 2051	NA
MTL	Maheshwaram (PG)—Mehboob Nagar	400 kV D/C transmission line	197	December 14, 2017	December 2053	NA
	Nizamabad—Yeddumailaram (Shankarpalli)	400 kV D/C transmission line	279	October 14, 2017	October 2053	NA
	Mehboob Nagar substation of TSTRANSCO	2 x 400 kV line bays	-			NA
	Yeddumailaram (Shankarpalli) substation of TSTRANSCO	2 x 400 kV line bays	-			NA
PTCL	Patiala—Kaithal LILO	Loop in loop out of both circuits of 400 kV D/C line at Patran	-	November 11, 2016	November 2051	NA
	Patran substation	2x500MVA, 400/220kV Substation at Patran with; i. 6 nos 400kV Bays ii. 8 nos 220kV Bays	-	November 11, 2016		1000 MVA
NTL	Samba—Amargarh	400 kV D/C line	547	September 1, 2018	September 2053	NA
	Uri—Wagoora	400 kV D/C line	14	September 1, 2018	September 2053	NA
	Jalandhar—Samba	400 kV D/C line	270	June 24, 2016	September 2051	NA
	Amargarh Substation	400/220 kV D/C line, GIS Substation with 735 MVA of transformation capacity	-	September 1, 2018	September 2053	735 MVA

Project Name	Transmission Line /Substation	Configuration	Route Length (ckms)	Actual commission date	Expiry of the term of the TSA	Total transformation capacity (in MVA)
OGPTL	Raipur – Jharsuguda	765kV D/C line	608	April 6, 2019	April 2054	NA
	Jharsuguda – OPGC	400 kV D/C line	103	August 30, 2017	July 2052	NA
ENICL	Bongaigaon-Siliguri	400 kV D/C line	443	November 12, 2014	October 2035	NA
	Purnia-Biharsharif	400 kV D/C line	466	September 16, 2013		NA
GPTL	Aligarh - Prithala	400 kV D/C HTLS line	99	August 06, 2019	July 2054	NA
	Prithala – Kadarpur	400 kV D/C HTLS line	58	December 7, 2019	July 2054	NA
	Kadarpur-Sohna Road	400 kV D/C HTLS line	21	March 21, 2020	July 2054	NA
	LILO of Gurgaon Manesar	400 kV D/C Quad line	1	March 13, 2020	July 2054	NA
	Neemrana – Dhonanda	400 kV D/C HTLS line	93	February 25, 2019	July 2054	NA
	Kadarpur substation	400/220 kV, 2 x 500 MVA	-	December 11, 2019	July 2054	1000 MVA
	Sohna Road substation	400/220 kV, 2 x 500 MVA	-	April 13, 2020	July 2054	1000 MVA
	Prithala substation	400/220 kV, 2 x 500 MVA	-	August 8, 2019	July 2054	1000 MVA
	Dhonanda substation	Two 400 kV line bays	-	February 25, 2019	July 2054	NA
JKTPL	Jharli (Jhajjar) - Kabulpur (Rohtak	400 kV D/C line	70	March 12, 2012	25 years from the appointed date of November 9, 2035	NA
	Kabulpur (Rohtak) - Dipalpur (Sonepat)	400 kV D/C line	134			NA
	Dipalpur substation Abdullapur - Bawana line	400 kV S/C loop in loop out line at 400kV substation Dipalpur of 400 kV D/C line at from Abdullapur-Bawana	0.7			NA
	Kabulpur (Rohtak) substation	400 kV/220 kV/ 132 kV	-			830 MVA
	Dipalpur (Sonepat) substation	400 kV/220 kV/ 132 kV	-			830 MVA
PrKTCL	LILO point of Parbati III HEP to LILO point of Parbati Pooling Station	400 kV S/C, Quad Bundle Line, Section of CKt-II of Parbati-II to Koldam Transmission Scheme	3.5	August 01, 2013	35 years from COD i.e. FY 2049-50**, as per Central Electricity Regulatory Commission (Terms and Condition of Tariff) Regulations, 2019	NA
	Banala – Nalagarh	400 kV S/C along with D/C Quad Bundle Line, Part of Ckt-I of Parbati-II – Koldam Transmission Scheme starting from LILO point of Banala Pooling Station to Tower 9C of Ckt-I of Koldam – Nalagarh TL	66	October 10, 2014		NA
	Banala - Koldam	400 kV S/C alongwith D/C Quad Bundle Line, Part of Ckt-II of Parbati-II –	63	October 04, 2014		NA

Project Name	Transmission Line /Substation	Configuration	Route Length (ckms)	Actual commission date	Expiry of the term of the TSA	Total transformation capacity (in MVA)
		Koldam Transmission Scheme starting from LILO point of Banala Pooling Station to Tower 9E of Ckt-I of Koldam – Nalagarh TL				
	Parbati-II – Banala	400 kV S/C alongwith D/C Quad Bundle Line, Part of Ckt-I of Parbati-II – Koldam Transmission Scheme starting from Parbati-II HEP to LILO point of Banala Pooling Station	14	November 03. 2015*		NA
	Parbati-II – Parbati-III	400 kV S/C alongwith D/C Quad Bundle Line, Part of Ckt-I of Parbati-II – Koldam Transmission Scheme starting from Parbati-II HEP to LILO point of Parbati-III HEP (Post commissioning of Sainj HEP of HPPCL this section has been connected at Loc.#2 forming Parbati-II – Sainj and Sainj – Parbati-III Sections)	10	November 03. 2015*		NA
	Koldam – Ludhiana	400 kV D/C, Triple Bundle Line.	301	Ckt-I: August 07, 2014 Ckt-II: April 1, 2015		NA
KTL	LILO of Khandwa – Rajgarh line	400 kV D/C line	14	July 8, 2018	35 years from COD, i.e., July 2054	3,000 MVA
	Khargone TPP Switchyard – Khandwa Pool	400 kV D/C line	50	March 19, 2020		
	Khandwa Pool - Indore	765 kV D/C line	180	March 19, 2020		
	Khandwa Pool - Dhule	765 kV D/C line	383	December 13, 2021		
	Khandwa pooling station	3,000 MVA transformation capacity	-	March 19, 2020		
	2 Nos. of 765 kV line bays and 7x80 MVAR Switchable line reactors (1 Unit as spare) along with 800 Ω NGR and its auxiliaries for Khandwa Pool –	765 kV line bays and 7x80 MVAR switchable reactors	-	December 13, 2021		

Project Name	Transmission Line /Substation	Configuration	Route Length (ckms)	Actual commission date	Expiry of the term of the TSA	Total transformation capacity (in MVA)
	Dhule 765 kV D/C at Dhule 765/400 kV substation					
NER	BNC – Itanagar	132 kV DC	136	April 6, 2021	November 2055	730 MVA
	LILO of Biswanath Chariali (PG) – Itanagar	132 kV DC	18	April 6, 2021		
	Line bays at Itanagar substation	2 No. of line bays	NA	April 6, 2021		
	Silchar – Misa	400 kV DC	357	February 26, 2021		
	Surajmaninagar substation	400/132 kV (7x105 MVA)	NA	January 27, 2021		
	Palatana - GBPP switchyard	2 No. of line bays 400/132 kV DC	NA	January 27, 2021		
	Surajmaninagar – PK Bari	400 kV DC	36	January 27, 2021		
	NEEPCO – PK Bari	132 kV DC	48	February 20, 2021		
	AGTPP (NEEPCO) line bays	2 No. of line bays 132 kV	NA	February 20, 2021		
	PK Bari (TSECL) line bays	2 No. of line bays 132 kV	NA	February 20, 2021		
	PK Bari substation	400/132 kV (7x105 MVA)	NA	January 27, 2021		
Kallam	LILO line at Kallam PS	Multicircuit line, LILO of both circuits of Parli (PG) – Pune (GIS) 400kV D/c line	18	SCOD – June, 2023 December 2023 (expected)	25 years from SCOD	1,000 MVA
	Kallam substation	2x500 MVA, 400/220 kV 8 line bays (4x 400 kV, 4x220 kV) 4 ICT bays (2x400 kV, 2x220 kV)	-			
	Bus reactor at Kallam PS 400 kV reactor bay – 1	1x125 MVAr	-			
	Switchable line reactor with 400 ohms NGR at Kallam PS end of Kallam – Pune (GIS) 400 kV D/c line	50 MVAr	-			
RSTCPL	Raichur – Solapur	765 kV S/C	208	July 4, 2014	January 2049	NA
TSESPL	132 kV single circuit Panther	132 kV single circuit Panther	0.4	June 6, 2015	NA	NA
Total			7,829.60			17,125 MVA

** The transmission line elements have been claimed as commissioned with effect from July 1, 2015 as per the CERC Tariff Petition.*

***As per Central Electricity Regulatory Commission (Terms and Condition of Tariff) Regulations, 2019, effective COD for the consolidated project has to be used for the purpose of tariff determination. Based on the true up of tariff for block periods Financial Year 2014-19 and approved tariff for Financial Year 2019-24, effective COD is likely to be in Financial Year 2014-15.*

The total revenue earned by each of the Transmission Assets in fiscals 2023, 2022 and 2021 is set forth in the following tables. The results for the periods presented below are not necessarily indicative of the results to be expected for any future period.

BDTCL			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Tariff	2,994.15	2,598.06	2,606.44
Incentive	49.89	109.31	91.23
Late Payment Surcharge	49.52	22.70	20.46
Rebates given for early payment	-12.31	-12.21	-13.23
Total revenue	**3,081.25**	**2,717.86**	**2,704.90**

JTCL			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Tariff	1,470.87	1,469.18	1,470.44
Incentive	49.28	71.76	51.47
Late Payment Surcharge	24.60	12.36	10.12
Rebates given for early payment	-4.15	-7.18	-7.45
Total revenue	**1,540.60**	**1,546.12**	**1,524.58**

RTCL			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Tariff	440.20	440.16	440.38
Incentive	14.45	15.44	15.25
Late Payment Surcharge	6.95	3.67	3.38
Rebates given for early payment	-1.28	-2.09	-2.25
Total revenue	**460.32**	**457.18**	**456.76**

PKTCL			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Tariff	724.23	746.10	725.22
Incentive	25.35	25.32	25.36
Late Payment Surcharge	11.40	6.07	5.63
Rebates given for early payment	-2.10	-4.12	-3.71
Total revenue	**758.88**	**773.37**	**752.50**

MTL			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Tariff	561.71	559.23	560.05
Incentive	19.34	19.57	19.64
Late Payment Surcharge	7.77	4.65	4.34
Rebates given for early payments	-1.60	-2.73	-2.78
Total Revenue	**587.22**	**580.72**	**581.25**

PTCL			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Tariff	306.08	306.80	307.41
Incentive	10.73	10.74	10.60
Late Payment Surcharge	5.00	2.56	3.42
Rebates given for early payment	-1.10	-1.50	-1.55
Total revenue	**320.71**	**318.60**	**319.88**

NTL			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Tariff	5,015.82	4,993.07	5,038.99
Incentive	148.17	8.91	170.54
Late Payment Surcharge	89.75	41.85	40.91
Rebates given for early payment	-19.86	-21.99	-25.75
Total revenue	**5,233.88**	**5,021.84**	**5,224.69**

OGPTL			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Tariff	1,647.21	1,586.66	1,548.32
Incentive	53.20	56.97	54.19
Late Payment Surcharge	40.07	13.67	14.28
Rebates given for early payment	-4.19	-8.63	-7.78
Total revenue	**1,736.29**	**1,648.67**	**1,609.01**

ENICL			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Tariff	1,432.36	1,438.46	1,444.12
Incentive	22.77	50.60	62.02
Late Payment Surcharge	20.60	12.34	10.49
Rebates given for early payment	-3.00	-7.08	-7.86
Total revenue	**1,472.73**	**1,494.32**	**1,508.77**

GPTL			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**

Tariff	1,469.51	1,441.33	1,409.60
Incentive	26.24	46.21	49.33
Late Payment Surcharge	15.26	13.41	13.99
Rebates given for early payment	-6.44	-6.67	-7.10
Total revenue	**1,504.57**	**1,494.28**	**1,465.82**
JKTPL			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Tariff	378.75	362.97	371.09
Total revenue	**378.75**	**362.97**	**371.09**
PrKTCL			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Tariff	1,657.59	1,069.32	1,374.93
Incentive	20.95	15.06	17.15
Late Payment Surcharge	Nil	Nil	Nil
Rebates given for early payment	-4.88	-13.19	-6.96
Total revenue	**1,673.66**	**1,071.19**	**1,385.12**
NER			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Tariff	456.83	4,112.25	4,153.21
Incentive	Nil	81.05	59.73
Late Payment Surcharge	Nil	8.66	29.85
Rebates given for early payment	-3.17	-21.38	-21.15
Total revenue	**453.66**	**4,180.58**	**4,221.64**
KTL			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Tariff	1,043.46	1,299.59	1,821.52
Incentive	35.51	42.35	58.29
Late Payment Surcharge	10.12	10.99	7.66
Rebates given for early payment	-6.74	-7.25	-9.38
Total revenue	**1,082.35**	**1,345.68**	**1,878.09**
RSTL			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Tariff	352.00	369.13	362.70
Incentive	Nil	Nil	9.77
Late Payment Surcharge	Nil	Nil	4.18
Rebates given for early payment	Nil	Nil	-3.53
Total revenue	**352.00**	**369.13**	**373.12**
Kallam			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Tariff	Nil	Nil	Nil
Incentive	Nil	Nil	Nil
Late Payment Surcharge	Nil	Nil	Nil
Total revenue	**Nil**	**Nil**	**Nil**
TSESPL			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Sale of Technical Services	10.67	8.55	6.16
Sale of Administrative Services	0.74	-	-
Total revenue	**11.41**	**8.55**	**6.16**

All our Transmission Assets are located in strategically important areas for the electricity grid in India, which we believe makes their existence critical and their high replacement cost makes the transmission assets indispensable.

The JTCL project alleviates transmission capacity bottlenecks and expands the reliability and stability of the power grid in western and northern India by providing open access to transmit power from the independent power projects in the east of India. The corridors thus created are crucial links, based on which the CTU enters into long-term open-access agreements with several generation companies in the eastern region of India.

The BDTCL project facilitates the transfer of electricity from coal-fired power generation sources in the states of Odisha and Chhattisgarh to power load centers in India's western and northern regions. Our largest power transmission project, in terms of transmission lines and their length, BDTCL operates six EHV overhead transmission lines of approximately 945 ckms, comprising, four 765 kV single circuit lines of 891 ckms and two 400 kV double circuit lines of 53 ckms.

The PKTCL project has been brought into existence to grow generation capacity in the eastern parts of India. PKTCL supports the interconnection of the state grids and the regional grids and facilitates the exchange of additional power between them. PKTCL was established to strengthen the transmission system in the states of West Bengal and Jharkhand. The project involves the establishment of two 400 kV double circuit transmission lines and has been awarded on a BOOM basis.

The RTCL project facilitates the strengthening of the transmission capability between the northern and western sectors of India's power grid by evacuating electricity from an atomic power plant near Kota in Rajasthan to central Madhya Pradesh. The project was undertaken in conjunction with the Rajasthan Atomic Power Project established by Nuclear Power Corporation of India. The transmission system evacuates and transmits power through a 400 kV double circuit line with a length of approximately 403 ckms.

The MTL project constitutes a key component in enabling the southern region of India to draw more power from the rest of the grid and continues to address the issue of power stability in the state of Telangana. This improved grid connectivity helps to facilitate power procurement from the ISTS network to meet electricity demands in certain states in south India. The MTL project provides grid connectivity for the 400 kV Maheshwaram and Nizmabad transmission lines and the substations at Mehboob Nagar and Yeddumailaram (Shankarpalli) of TSTRANSCO. MTL operates two transmission lines on a BOOM basis having a total length of approximately 476 ckms.

The PTCL project constitutes a key component in strengthening the power transmission system in the state of Punjab in India. The PTCL project comprises a 400/ 220 kV substation, having a transformation capacity of 1000 MVA, with 14 bays in Patran, and LILO of both circuits of Patiala-Kaithal 400 kV double circuit line at Patran.

The GPTL project was constituted to meet the rising power demand in Gurgaon and Palwal. The substations caters to parts of Gurgaon and connect other substations located at Palwal, Rangla, Rajpur and adjoining areas of Meerpur Kurli in Haryana, as part of the inter-state transmission system. This helps the region to continue generating employment to address markets in India and overseas.

The ENICL project included the first transmission line under the TBCB guidelines in the country and, was set up with an aim to evacuate power from the north-east and eastern states to the northern region of India. Substantial exportable power would be available in these regions due to the commissioning of the transmission lines owned by ENICL. This transmission project was proposed for strengthening of the NER-ER transmission corridor.

The NTL project is critical for meeting the power requirements of the state of Jammu and Kashmir. The existing lines which are a part of the common corridor in the state of Jammu and Kashmir are highly prone to snow storm, landslides and other natural calamities making power supply to the Kashmir Valley vulnerable. The NTL project was proposed to mitigate the above constraints. Further, the NTL project was expected to deliver over 2,000 MW of electricity from Punjab to the Kashmir Valley by strengthening the transmission system in these states.

The OGPTL project, was developed to help power projects in the state of Odisha to cater to the power generation demand centers in the country. The OGPTL project is a part of the common transmission system for phase-II generation projects and immediate evacuation system for OPGC Project in Odisha. the transmission lines are a part of the interstate transmission network.

JKTPL provides offtake of power from the thermal power plants in Haryana (majorly the Jhajjar power plant) and meets the electricity demands of Jhajjar and heavy industrial area of Sonepat. It consists of three 400 KV transmission lines spread across 204.7 ckms in Haryana with 2 substations with a transformation capacity of 830 MVA. The project has been operational for 11 years and was developed for increasing and improving the electricity supply in state of Haryana and evacuation of electricity from the 2x660 MW thermal power plant at Jhajjar, Haryana. IGL acts as the O&M contractor for this project.

PrKTCL, initially incorporated as a joint venture between Reliance Infrastructure Limited and Power Grid Corporation of India Limited, and now acquired by IndiGrid, has approximately 458 ckms of 400 kV transmission lines and substations, including, Koldam - Ludhiana line, with a length of 301 ckms, LILO of Parbati III HEP to LILO of Parbati Pooling Station line, with a length of 3.5 ckms, Banala to Nalagarh line, with a length of 66 ckms, Banala to Koldam line, with a length of 63 ckms, Parbati II to Banala line, with a length of 14 ckms, and Parbati II to Parbati III line, with a length of 10 ckms, as a part of the transmission system to evacuate power from the Parbati – II, Parbati – III and Koldam hydel power projects.

NER was incorporated on April 21, 2015. The NER project was awarded by the Ministry of Power on February 22, 2017 for a 35-year period from the scheduled commercial operation date of the NER project, on a BOOM basis. The NER project is located in the state of Tripura, Assam and Arunachal Pradesh. The NER project would (i) strengthen the interconnection between the states of Assam and Arunachal Pradesh and provide an additional source of power to Itanagar, and (ii) also provide a strong interconnection between the northern and southern part of the north east region.

KTL was incorporated on November 28, 2015 to strengthen the Transmission System in Western Region associated with

Khargone Thermal Power Plant of 1,320 MW (2×660MW) at Khargone in the state of Madhya Pradesh. KTL evacuates the power generated by Khargone Power Plant to 765 kV Khandwa substation to further distribute it downstream across Madhya Pradesh, Maharashtra, Chhattisgarh, Gujarat, Goa, Daman & Diu, and Dadra & Nagar Haveli.

Kallam Transmission Limited was incorporated on May 28, 2020. The letter of intent for development of Kallam Transmission Limited was awarded to consortium of IGL1 and IGL2 (“**IndiGrid Consortium**”) by the REC Power Development and Consultancy Limited on November 30, 2021 for a 35-year period from the scheduled commercial operation date, on a Build, Own, Operate and Maintain model. IndiGrid Consortium acquired the project on December 28, 2021. The project is currently under development and the scheduled commissioning date was June 2023 but is now expected to be completed in December 2023. Once developed, Kallam will be a crucial project for evacuation of renewable energy to the extent of 1 GW in the Osmanabad region of Maharashtra. The scope of work for Kallam includes operation of a 1000 MVA substation in Kallam region with an interlinking multi circuit transmission line of ~18 kilometers with a line in line out of both circuits from the 400 kV double circuit Pune- Parli transmission line.

RSTCPL is a critical project of the Inter State Transmission Scheme (ISTS) network of the country. RSTCPL consists of 765 kV single circuit transmission line of ~208 ckms between Raichur (Karnataka) and Sholapur (Maharashtra) associated with the Krishnapattnam Ultra Mega Power Thermal Project. The project enables synchronous interconnection between Southern and Western Regions of the country and is a key transmission link to strengthen the power transmission network between these regions. Additionally, it complements IndiGrid’s existing footprint with synergies with existing 765 kV network in BDTCL and upcoming Kallam transmission project.

Tariff – Certain of our Portfolio Assets

Power transmission projects, including the Transmission Assets, earn revenue from electricity transmission tariffs pursuant to TSAs and tariff orders passed by CERC in accordance with the Electricity Act. These projects receive availability-based tariffs under the TSAs irrespective of the actual quantum of power transmitted through the line. The tariff for the Transmission Assets is contracted for the period of the relevant TSA, which is up to 35 years from the scheduled commission date, other than ENICL and JKTPL, which is for 25 years. The tariff rates are comprised of a fixed non-escalable charge, a variable escalable charge, and incentives for maintaining targeted availability. For further details, please see the section entitled “*Industry Overview*” on page 169. The following tables reflects the contracted non-escalable and escalable tariffs for the majority of our Portfolio Assets remaining for the term of the applicable TSA.

Non-Escalable Tariff for the majority of our Transmission Assets

The following tables reflect the non- escalable tariffs for the majority of our Transmission Assets:

REMAINING NON-ESCALABLE TARIFF FOR THE MAJORITY OF OUR PORTFOLIO ASSETS (₹ in million)														
	BDTCL	***JTCL***	***PKTCL***	***RTCL***	***MTL***	***PTCL***	***NTL***	***OGPTL***	***ENICL***	***GPTL***	***NER***	***KTL***	***Kallam***	***RSTCPL***
Anniversary of Scheduled Commission Date	**Scheduled Commission Date**													
	March 31, 2014	March 31, 2014	April 9, 2016	March 1, 2016	June 20, 2018	November 11, 2016	June 4, 2016 and October 4, 2018	August 31, 2017 and August 8, 2019	January 1, 2013	May 14, 2019 and September 14, 2019	November 2020	July 31, 2019	June 27, 2023	January 7, 2014
2018	2,419.92	1,864.42	500.29	304.1		220			1,181.65					352.00
2019	2,417.28	1,862.74	713.12	433.47	548.18	252.5	4817.97		1,181.65					352.00
2020	2,414.53	1,302.86	712.51	433.1	548.18	282.73	4814.38	1587.2	1,181.65	1,435.22		1860.8		352.00
2021	2,411.76	1,300.97	711.87	432.7	548.18	299.95	4811.06	1587.2	1,181.65	1,435.22	3938.4	1860.82		352.00
2022	2,408.70	1,298.97	711.18	432.29	548.18	299.95	4807.52	1549.91	1,181.65	1,401.50	3938.4	1817.10		352.00
2023	2,405.60	1,296.85	710.46	431.85	548.18	299.95	4803.75	1513.49	1,181.65	1,368.56	3938.4	1774.40		352.00
2024	1,669.27	1,294.60	709.69	431.38	548.18	299.95	4799.74	1477.93	1,181.65	1,336.40	4591.23	1732.70	170.04	352.00
2025	1,665.92	1,292.22	708.87	430.88	548.18	299.95	4795.46	1443.2	1,181.65	1,305.00	4497.53	1691.99	170.04	257.00
2026	1,662.44	1,289.69	708.01	430.36	548.18	299.95	4790.9	1409.28	1,181.65	1,274.34	4403.83	1652.23	170.04	257.00

REMAINING NON-ESCALABLE TARIFF FOR THE MAJORITY OF OUR PORTFOLIO ASSETS (₹ in million)														
	BDTCL	***JTCL***	***PKTCL***	***RTCL***	***MTL***	***PTCL***	***NTL***	***OGPTL***	***ENICL***	***GPTL***	***NER***	***KTL***	***Kallam***	***RSTCPL***
Anniversary of Scheduled Commission Date	**Scheduled Commission Date**													
	March 31, 2014	March 31, 2014	April 9, 2016	March 1, 2016	June 20, 2018	November 11, 2016	June 4, 2016 and October 4, 2018	August 31, 2017 and August 8, 2019	January 1, 2013	May 14, 2019 and September 14, 2019	November 2020	July 31, 2019	June 27, 2023	January 7, 2014
2027	1,658.81	1,287.01	707.1	429.81	548.18	299.95	4786.05	1376.17	1,181.65	1,244.39	4403.83	1613.41	170.04	257.00
2028	1,655.04	1,284.17	706.13	429.22	548.18	299.95	4780.88	1343.83	1,181.65	1,215.15	4310.13	1575.50	170.04	257.00
2029	1,651.11	1,281.16	705.11	428.6	548.18	299.95	4775.37	1312.26	1,181.65	1,186.60	4216.43	1538.47	170.04	257.00
2030	1,647.02	1,277.97	704.02	427.94	548.18	299.95	4769.5	1281.42	1,181.65	1,158.72	4122.73	1502.32	170.04	257.00
2031	1,642.77	1,274.59	702.88	427.24	548.18	299.95	4763.25	1251.31	1,181.65	1,131.49	4029.03	1467.02	170.04	257.00
2032	1,638.35	1,271.01	701.66	426.5	548.18	237.98	4756.59	1221.91	1,181.65	1,104.90	3938.4	1432.55	170.04	257.00
2033	1,633.74	1,267.21	700.37	425.71	548.18	237.42	3314.24	1193.19	1,181.65	1,078.94	4988.39	1398.89	170.04	257.00
2034	1,628.95	1,263.18	699	424.88	548.18	236.82	3306.68	1165.16	1,181.65	1,053.59	5069.34	1366.02	170.04	257.00
2035	1,623.97	1,258.91	697.56	424	548.18	236.19	3298.63	1137.78	**TSA TERM EXPIRED**	1,028.83	5147.84	1333.92	170.04	257.00
2036	1,618.79	1,254.39	574.62	423.07	548.18	255.52	3290.05	1126.91		1,019.00	5177.32	1321.18	170.04	257.00
2037	1,613.39	1,249.60	481	422.09	548.18	254.81	3280.91	1126.91		1,019.00	5290.06	1321.18	170.04	257.00
2038	1,607.78	1,244.52	479.28	421.04	548.18	254.06	3271.18	1126.91		1,019.00	5374.04	1321.18	170.04	257.00
2039	1,601.94	1,239.14	477.45	419.93	548.18	253.36	3260.81	1126.91		1,019.00	5369.5	1321.18	170.04	257.00
2040	1,595.86	1,233.43	475.52	418.76	548.18	252.41	3249.76	1126.91		1,019.00	5364.1	1321.18	170.04	257.00
2041	1,589.53	1,227.38	473.48	417.52	548.18	251.52	3237.99	1126.91		1,019.00	5357.71	1321.18	170.04	257.00
2042	1,582.95	1,220.97	471.31	416.2	548.18	260.57	3225.45	1126.91		1,019.00	5350.23	1321.18	170.04	257.00
2043	1,576.11	1,214.17	469.02	322.09	548.18	259.57	3212.09	1126.91		1,019.00	5429.96	1321.18	170.04	257.00
2044	1,568.98	1,206.97	466.59	283.61	548.18	258.5	3197.86	1126.91		1,019.00	5455.23	1321.18	170.04	257.00
2045	1,561.57	1,199.34	464.01	282.05	548.18	257.38	3182.71	1126.91		1,019.00	5443.72	1321.18	170.04	257.00
2046	1,553.86	1,191.25	461.29	280.39	548.18	256.18	3166.56	1126.91		1,019.00	5430.61	1321.18	170.04	257.00
2047	1,545.83	1,182.68	458.4	278.63	548.18	254.92	3149.35	1126.91		1,019.00	5415.7	1321.18	170.04	257.00
2048	1,537.48	1,173.59	455.34	276.77	548.18	253.58	3131.03	1126.91		1,019.00	5398.8	1321.18	170.04	257.00
2049	1,528.80	1,164.41	452.1	274.8	548.18	252.16	3111.5	1126.91		1,019.00	5379.29	1321.18	170.04	257.00
2050	**TSA TERM EXPIRED**	**TSA TERM EXPIRED**	448.66	272.72	548.18	250.66	3090.71	1126.91		1,019.00	5339.45	1321.18	170.04	**TSA TERM EXPIRED**
2051			445.03	270.51	548.18	249.07	3068.55	1126.91		1,019.00	5339.45	1321.18	170.04	
2052			**TSA TERM**	**TSA TER**	548.18	249	3044.95	1126.91		1,019.00	5339.45	1321.18	170.04	

REMAINING NON-ESCALABLE TARIFF FOR THE MAJORITY OF OUR PORTFOLIO ASSETS (₹ in million)														
	BDTCL	***JTCL***	***PKTCL***	***RTCL***	***MTL***	***PTCL***	***NTL***	***OGPTL***	***ENICL***	***GPTL***	***NER***	***KTL***	***Kallam***	***RSTCPL***
Anniversary of Scheduled Commission Date	**Scheduled Commission Date**													
	March 31, 2014	March 31, 2014	April 9, 2016	March 1, 2016	June 20, 2018	November 11, 2016	June 4, 2016 and October 4, 2018	August 31, 2017 and August 8, 2019	January 1, 2013	May 14, 2019 and September 14, 2019	November 2020	July 31, 2019	June 27, 2023	January 7, 2014
			EXPIRED	**M EXPIRED**										
2053					548.18	**TSA TERM EXPIRED**	3019.8	1126.91		1,019.00	5339.45	1321.18	170.04	
2054					548.18		2993.02	1126.91		1,019.00	5339.45	1321.18	170.04	
2055					**TSA TERM EXPIRED**		**TSA TERM EXPIRED**	1126.91		1,019.03	5339.45	1321.18	170.04	
2056								**TSA TERM EXPIRED**		**TSA TERM EXPIRED**	5339.45	**TSA TERM EXPIRED**	170.04	
2057											**TSA TERM EXPIRED**		170.04	
2058													**170.4**	
2059													**170.4**	
2060													**TSA TERM EXPIRED**	

Escalable Tariff for the majority of our Portfolio Assets

The following tables reflect the current contracted escalable tariffs for the majority of our Portfolio Assets:

ESCALABLE TARIFFS FOR THE MAJORITY OF OUR PORTFOLIO ASSETS (₹ in million)															
	BDTCL	**JTCL**	**PKTCL**	**RTCL**	**MTL(2)**	**PTCL(3)**	**NTL**	**OGPTL**	**ENICL**	**GPTL**	**NER**	**KTL**	**Kallam**	**RSTCPL**	**TSESPL**
Initial escalable tariff (year)	56.64 (2014)	22.80 (2014)	8.88 (2016)	5.39 (2016)	7.75 (2019)	4.71 (2017)	47.28(1)	16.01 (2018)	58.61 (2013)	14.5 (2020)	NA	17.05 (2020)	2024 (Expected)	NA	NA
2022 escalable tariff	103.34	41.74	12.95	7.86	09.31	6.87	56.10	20.48	121.93	18.59	NA	17.92	Under-construction Stage	NA	NA
2023 escalable tariff	112.22	45.33	14.06	8.53	10.11	7.46	60.92	22.24	132.42	20.19	NA	19.20	Under-construction Stage	Nil	NA

(1) Includes 10.40 towards JS line commissioned in Financial Year 16, 17 and 36.87 towards SA line commissioned in Financial Year 18, 19.
(2) MTL started commercial operations in fiscal 2018.
(3) We acquired PTCL from TEECL and TPGCL on August 31, 2018.

Jabalpur Transmission Company Limited

JTCL was incorporated on September 8, 2009. JTCL entered into a TSA dated December 1, 2010 with the LTTCs and a TSA dated November 12, 2013 with PGCIL. The JTCL project was awarded to IGL by the Ministry of Power on January 19, 2011 for a 35-year period from the scheduled commercial operation date of the JTCL project, on a BOOM basis. We acquired JTCL from SPTL in May, 2017.

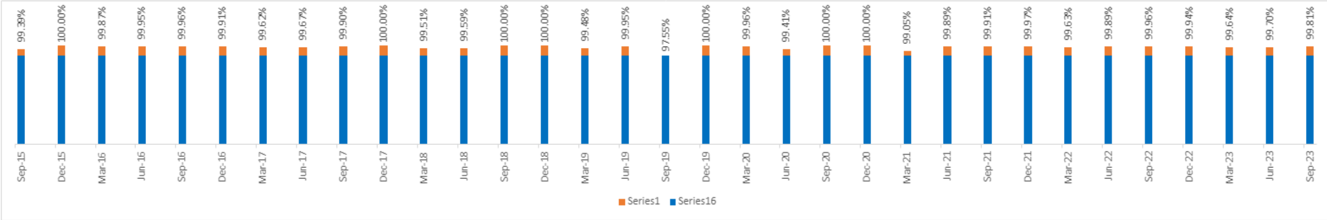
JTCL alleviates transmission capacity bottlenecks and expands the reliability and stability of the power grid in western and northern India by providing open access to transmit power from the independent power projects in the east of India. The corridors thus created are crucial links, on the basis of which the CTU has entered long-term open-access agreements with several generation companies in the eastern region of India.

JTCL operates two EHV overhead transmission lines of approximately 992 ckms in the states of Chhattisgarh and Madhya Pradesh comprising one 765 kV double circuit line of approximately 757 ckms from Dharamjaigarh (Chhattisgarh) to Jabalpur (Madhya Pradesh) and one 765 kV single circuit line of approximately 235 ckms from Jabalpur to Bina in Madhya Pradesh. The JTCL project was fully commissioned in September 2015 at a total cost of ₹18,874 million. The net depreciated value of the asset as of September 30, 2023 is ₹ 14,187.00 million.

Details of JTCL's transmission lines are set forth as follows:

Transmission Line	Location	Route Length (ckms)	Specifications	Commission Date	Expiry of TSA term	Contribution to Total Tariff
Jabalpur-Dharamjaigarh	Chhattisgarh, Madhya Pradesh	757	765 kV D/C	September 14, 2015	March 31, 2049	72%
Jabalpur-Bina	Madhya Pradesh	235	765 kV S/C	July 1, 2015	March 31, 2049	28%
Total		**992**				

The average quarterly availability of JTCL since commissioning is set forth in the table below, which is higher than the target availability of 98% under the JTCL TSA.



As a result, JTCL earned a revenue of ₹ 761.00 million as of September 30, 2023.

As of September 30, 2023, the JTCL TSA had a remaining term of approximately 25 years 5 months. As of September 30, 2023, there was no debt outstanding to external lenders. As of September 30, 2023, JTCL has availed ₹ 19,167.86 million from IndiGrid.

The JTCL transmission lines could not be commissioned on the scheduled commission date due to change in law and force majeure events including the amendment of the Forest Guidelines, delay in grant of forest clearance and delay in obtaining authorization under Section 164 of the Electricity Act. The delay was acknowledged by CERC following an initial petition by JTCL and the scheduled commercial operation date was revised accordingly. To compensate for the loss in revenue, JTCL filed an additional petition with CERC to quantify the increase in transmission charges. The CERC, through its order dated May 8, 2017 (in petition number 310/MP/2015) (the "**CERC Order**"), allowed an increase of 9.8903% per annum on the quoted non-escalable charges of the respective years from the date of commercial operation of the respective transmission lines on account of change in law, resulting in an increase in the cost of the project by ₹1,699.90 million (the "**Approved Cost Escalation**"). SPTL was entitled to an allotment of our Units for an amount equivalent to ₹1,359.92 million pursuant to the CERC Order, which is 80% of the Approved Cost Escalation. We allotted 13.6 million Units to the erstwhile project manager, which was the same entity as SPTL at an issue price of ₹100 per Unit on October 26, 2017.

Bhopal Dhule Transmission Company Limited

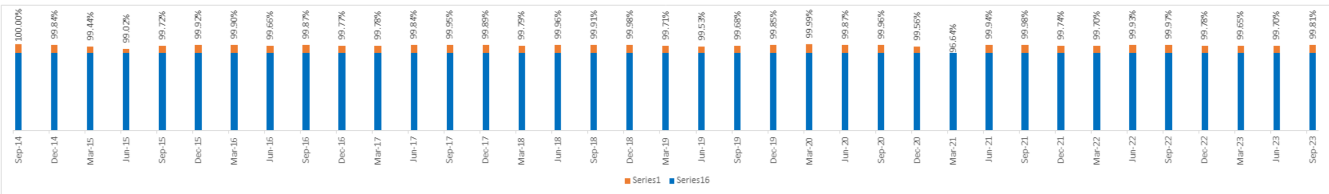
BDTCL was incorporated on September 8, 2009. BDTCL entered into a TSA dated December 7, 2010 with the LTTC and a TSA dated November 12, 2013 with CTUIL. The BDTCL project was awarded to IGL by the Ministry of Power on January 31, 2011 for a 35-year period from the scheduled commercial operation date of the BDTCL project, on a BOOM basis. We acquired BDTCL from SPTL in May, 2017.

BDTCL facilitates the transfer of electricity from coal-fired power generation sources from the states of Odisha and Chhattisgarh to power load centers in India's western and northern regions. As our largest power transmission power transmission project, BDTCL operates six EHV overhead transmission lines of approximately 945 ckms comprising four 765 kV single circuit lines of approximately 891 ckms and two 400 kV double circuit lines of approximately 53 ckms. The single circuit lines comprise an approximately 260 ckms line from Bhopal to Jabalpur in Madhya Pradesh, an approximately 176 ckms line from Bhopal to Indore in Madhya Pradesh, an approximately 192 ckms line from Aurangabad to Dhule in Maharashtra and an approximately 263 ckms line from Dhule (Maharashtra) to Vadodara (Gujarat). The double circuit lines consist of an approximately 36 ckms line within Dhule and an approximately 17 ckms line within Bhopal. In addition, the project includes two 3,000 MVA substations, one each in Bhopal and Dhule.

BDTCL was fully commissioned in June 2015 at a total cost of ₹21,330 million. The net depreciated value of the asset as of September 30, 2023 is ₹ 15,322.00 million. BDTCL was awarded a Silver Shield for the year 2013-2014 in the category of "Early Completion of Transmission Projects" by the Ministry of Power for its Dhule substation. Details of BDTCL's transmission lines and substations are set forth as follows:

Transmission Line / Substation	Route Length (ckms)	Specifications	Commission Date	Expiry term of TSA	Contribution to Total Tariff
Bhopal— Jabalpur	260	765 kV S/C	June 9, 2015	March 31, 2049	22%
Bhopal—Indore	176	765 kV S/C	November 19, 2014	March 31, 2049	12%
Bhopal—Bhopal (MPPTCL)	18	400 kV D/C	August 12, 2014	March 31, 2049	2%
Aurangabad—Dhule (IPTC)	192	765 kV S/C	December 5, 2014	March 31, 2049	10%
Dhule (IPTC)—Vadodara	262	765 kV S/C	June 13, 2015	March 31, 2049	16%
Dhule (IPTC)—Dhule (MSETCL)	36	400 kV D/C	December 6, 2014	March 31, 2049	4%
Bhopal Substation	—	2 x 1,500 MVA 765/400 kV	September 30, 2014	March 31, 2049	17%
Dhule Substation	—	2 x 1,500 MVA 765/400 kV	December 6, 2014	March 31, 2049	17%

The average quarterly availability of BDTCL since commissioning is set forth in the following table, which is higher than the target availability of 98% under the BDTCL TSA.



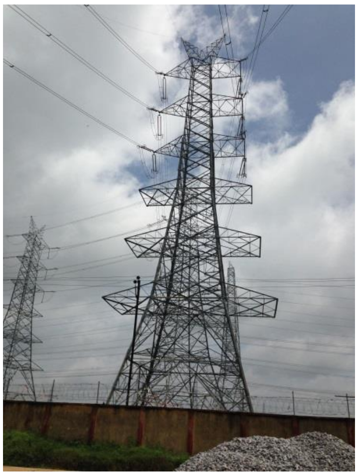
As a result, BDTCL earned a revenue of ₹ 1,078.0 million as of September 30, 2023. As of September 30, 2023, there was no debt outstanding to external lenders. As of September 30, 2023, BDTCL has availed ₹ 17,098.62 million from IndiGrid.

As of September 30, 2023, the BDTCL TSA had a remaining term of over 25 years 6 months.

The BDTCL transmission lines could not be commissioned on their scheduled commission dates due to change in law and force majeure events, including the amendment of Forest Guidelines, delay in grant of forest clearance, delay in receiving authorisation under Section 164 of the Electricity Act, delay in allotment of land for the construction of the Bhopal substation and change in applicable rates of taxes. The delay was acknowledged by CERC and the scheduled commercial operation date was revised accordingly. To compensate for the loss in revenue, BDTCL filed a tariff revision petition with CERC, pursuant to which the CERC through its order dated June 25, 2018 sought further documents to establish BDTCL's claim in respect of cost escalation. Thereafter, BDTCL filed a consequential petition, claiming monetary relief resulting from the change in law pursuant to the CERC Order. CERC vide its order dated April 24, 2019 ("**Second CERC Order**") rejected the relief and subsequential carrying cost. Aggrieved by the Second CERC Order, BDTCL filed an appeal before APTEL on June 4, 2019 to claim the amount of interest during construction and subsequential carrying cost. APTEL by way of its order dated October 20, 2020 allowed the appeal filed by BDTCL. The estimated amount involved in this matter is ₹ 840.01 million. The matter is currently pending. For further details, please see the section entitled "*Litigation*" on page 316.

BDTCL had its 765 KV S/C Bhopal – Indore transmission line rendered inoperable for 51 days in fiscal 2015 when gale force winds damaged a transmission tower. BDTCL obtained a deemed availability certificate from CERC to receive tariffs for this period and substantially all of the repair and restoration costs were covered by SPTL's insurance.

Purulia & Kharagpur Transmission Company Limited

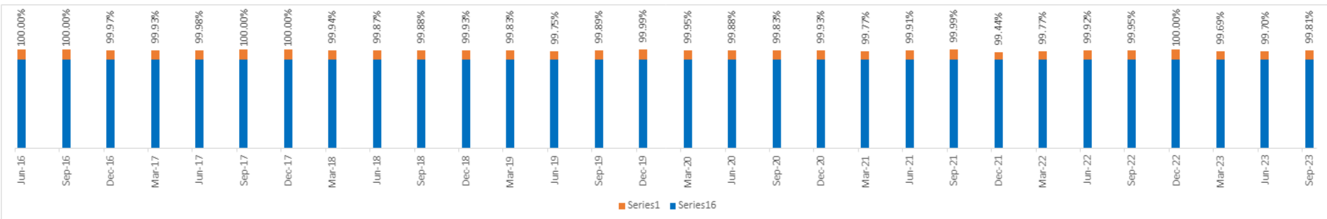
PKTCL was incorporated on December 15, 2012. PKTCL entered into a TSA on December 22, 2015 with PGCIL and a TSA dated August 6, 2013 with the LTTCs. The PKTCL project was awarded by the Ministry of Power on September 17, 2013 for a 35-year period from the scheduled commercial operation date of the PKTCL project, on a BOOM basis. We acquired PKTCL from SPTL in February, 2018.

PKTCL supports the interconnection of the West Bengal state grid and the ISTS and facilitates the exchange of additional power between them. PKTCL was established to strengthen the transmission system in the states of West Bengal and Jharkhand.

PKTCL operates two EHV overhead transmission lines with a total circuit length of approximately 545 ckms in the states of West Bengal and Jharkhand, comprising one 400 kV D/C line of approximately 322 ckms from Kharagpur (West Bengal) to Chaibasa (Jharkhand) and one 400 kV D/C line of approximately 223 ckms from Purulia (West Bengal) to Ranchi (Jharkhand). The Kharagpur-Chaibasa 400 kV D/C transmission line was commissioned in June 2016, while the Purulia – Ranchi 400 kV D/C transmission line was commissioned in January 2017. The project was fully commissioned in January 2017 at a total cost of ₹4,405 million. The net depreciated value of the asset as of September 30, 2023 is ₹ 3,404.00 million. Details of PKTCL's transmission lines are set forth as follows:

Transmission Line	Route Length (ckms)	Specifications	Commission Date	Expiry of term of TSA	Contribution to Total Tariff
Kharagpur (WBSETCL)—Chaibasa (PG)	322	400 kV D/C	June 18, 2016	April 19, 2051	54%
Purulia PSP (WB)—Ranchi PG	223	400 kV D/C	January 7, 2017	April 19, 2051	46%

The average quarterly availability of PKTCL since commissioning is set forth in the following table, which is higher than the target availability of 98% under the PKTCL TSA.



As a result PKTCL earned a revenue of ₹ 374.00 million as of September 30, 2023. As of September 30, 2023, there was no debt outstanding to external lenders. As of September 30, 2023, PKTCL has availed ₹ 3,473.14 million from IndiGrid.

As of September 30, 2023, the PKTCL TSA had a remaining term of over 27 years 6 months.

PKTCL filed a petition dated July 7, 2016 under Section 79(1)(f) read with Section 79(1)(c) of the Electricity Act before the CERC seeking compensatory and declaratory reliefs under the PKTCL TSA on account of force majeure and changes in law, including due to delay in application for forest diversion proposal, shifting of final termination point of Purulia substation, delay in grant of forest clearance and law and order issues which adversely affected and subsequently, delayed the construction of the 400 kV D/C Purulia – Ranchi transmission line and 400 kV D/C Kharagpur – Chaibasa transmission line. There can be no assurance that the claimed amount will be granted. For further details, please see the section entitled "*Litigation*" on page 316.

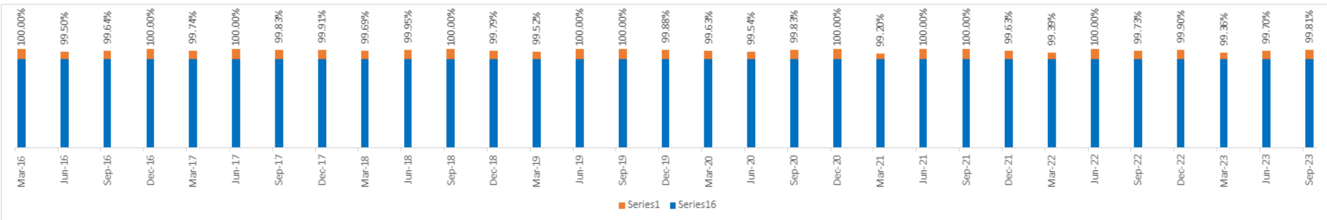
RAPP Transmission Company Limited

RTCL was incorporated on December 20, 2012. RTCL entered into a TSA on July 24, 2013 with LTTCs and a TSA dated December 22, 2015 with CTUIL. The RTCL project was awarded by the Ministry of Power on September 17, 2013 for a 35-year period from the scheduled commercial operation date of the RTCL project, on a BOOM basis. We acquired 74% of RTCL from SPTL in February 2018. As of the date of this Preliminary Placement Document, IndiGrid indirectly holds 100% of the paid-up share capital of RTCL. RTCL facilitates the strengthening of the transmission capability between the northern and western sectors of India's power grid by evacuating electricity from an atomic power plant near Kota in Rajasthan to central Madhya Pradesh. The project was undertaken in conjunction with the Rajasthan Atomic Power Project established by Nuclear Power Corporation of India.

RTCL operates one EHV overhead transmission line of approximately 403 ckms in the states of Rajasthan and Madhya Pradesh, comprised of one 400 kV D/C line from Rajasthan to Madhya Pradesh. The project was fully commissioned in November 11, 2016 at a total cost of ₹2,600 million. The net depreciated value of the asset as of September 30, 2023 is ₹ 1,944.00 million. Details of RTCL's transmission line are set forth as follows:

Transmission Line	Route length (ckms)	Specifications	Commission Date	Expiry of term of TSA	Contribution to Total Tariff
RAPP—Shujalpur	403	400 kV D/C	March 1, 2016	February 2051	100%

The average quarterly availability of RTCL since commissioning is set forth in the following table, which is higher than the target availability of 98% under the RTCL TSA.



As a result, RTCL earned a revenue of ₹ 228.00 million as of September 30, 2023. As of September 30, 2023, there was no debt outstanding to external lenders. As of September 30, 2023, RTCL has availed ₹ 1,965.18 million from IndiGrid.

As of September 30, 2023, the RTCL TSA had a remaining term of approximately 27 years 5 months.

RTCL filed a petition dated March 11, 2016 under Section 79(1)(f) read with Section 79(1)(c) of the Electricity Act seeking payment of monthly transmission charges for the period starting from December 26, 2015 under the RTCL TSA and the revenue sharing agreement and the order dated July 15, 2015 issued by the Ministry of Power entitled "Policy for Incentivizing Early Commissioning of Transmission Projects" under which RTCL contended that it is entitled to the payment of monthly transmission charges from the actual date of commercial operation, December 26, 2015, which is in advance of the scheduled commercial operation date of February 2016. CERC, by its order dated September 21, 2016 declared that RTCL was entitled to the payment of transmission charges accrued from the scheduled commercial operation date until bays are developed by the Nuclear Power Corporation of India Limited ("**NPCIL**"). NPCIL filed an application to stay the CERC order on November 4, 2016 before the Appellate Tribunal for Electricity which has been replied to by RTCL. Through an order passed on January 18, 2019 (the "**Order**"), APTEL dismissed the Interim Application. APTEL also granted liberty to RTCL to regulate the power supply of NPCIL if NPCIL failed to make the payment within 30 days of the Order. RTCL has accordingly sent letters to NPCIL for the disbursement of the withheld amounts along with applicable charges. NPCIL has filed an appeal before the

Supreme Court of India against the Order and RTCL has filed the counter affidavit on August 27, 2019. The estimated amount involved in this matter is ₹ 280 million. For further details, please see the section entitled "*Litigation*" on page 316.

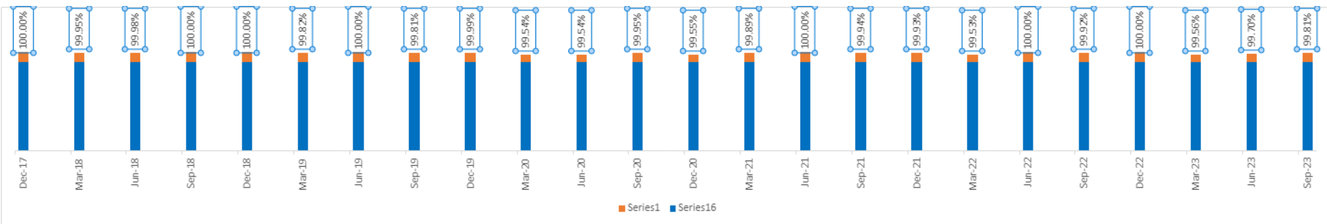
Maheshwaram Transmission Limited

MTL was incorporated on August 14, 2014. MTL entered into a TSA on June 10, 2015 with LTTCs, a TSA dated April 27, 2017 with PGCIL and an RSA dated April 27, 2017 with PGCIL. The MTL project was awarded by the Ministry of Power on July 21, 2015 for a 35-year period from the scheduled commercial operation date of the MTL project, on a BOOM basis. We acquired 49% of MTL from SPTL in February 2018. As of the date of this Preliminary Placement Document, IndiGrid indirectly holds 100% of the paid-up share capital of MTL. MTL constitutes a key component in enabling the southern region of India to draw more power from the rest of the grid and seeks to address the issue of power stability in the state of Telangana. This improved grid connectivity is expected to facilitate power procurement from the ISTS network to meet electricity demands in south India.

MTL operates two EHV overhead transmission lines with a total circuit length of approximately 477 ckms in the state of Telangana, comprising one 400kV D/C line of approximately 197 ckms from Maheshwaram to Mehboob Nagar in Telangana and one 400kV D/C line of approximately 279 ckms from Nizamabad to Yeddumailaram in Telangana. MTL also has four 400kV line bays. The Maheshwaram – Mehboob Nagar 400 kV D/C transmission line was commissioned on December 14, 2017, while the Nizamabad – Yeddumailaram 400 kV D/C transmission line was commissioned on October 14, 2017. The project was fully commissioned on December 14, 2017 at a total cost of ₹ 3,878 million. The net depreciated value of the asset as of September 30, 2023 is ₹ 3,162.00 million. Details of MTL's transmission lines and line bays are set forth as follows:

Transmission Line	Route Length (ckms)	Specifications	Commission Date	Expiry of TSA Term	Contribution to Total Tariff
Maheshwaram (PG)—Mehboobnagar	197	400 kV D/C	December 14, 2017	June 14, 2053	35%
2 Nos. of 400 kV line bays at Mehboob Nagar S/S of TSTRANSCO	-	-	-		
Nizamabad—Yeddumailaram (Shankarpalli)	279	400 kV D/C	October 14, 2017	October 14, 2053	65%
2 Nos. of 400kV line bays at Yeddumailaram (Shankarpalli) S/S of TSTRANSCO	-	-	-		

The average quarterly availability of MTL since commissioning is set forth in the following table, which is higher than the target availability of 98% under the MTL TSA.



As a result, MTL earned a revenue of ₹ 290.00 million as of September 30, 2023. As of September 30, 2023, there was no debt outstanding to external lenders. As of September 30, 2023, MTL has availed ₹ 3,943.81 million from IndiGrid.

As of September 30, 2023, the MTL TSA had a remaining term of over 29 years 3 months.

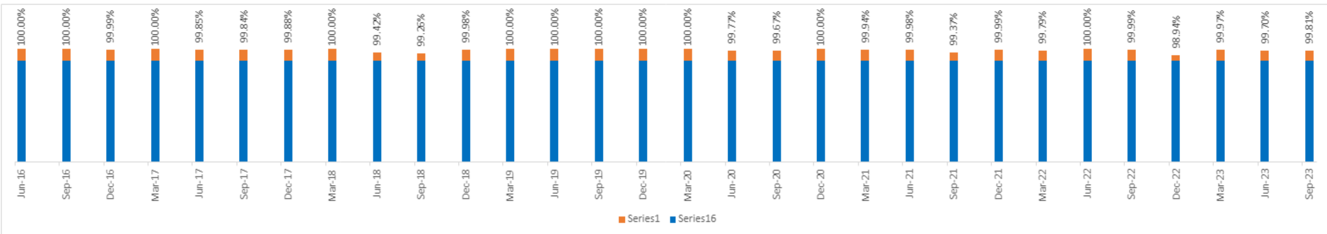
Patran Transmission Company Limited

PTCL was incorporated on December 19, 2012. PTCL entered into a TSA on May 12, 2014. The PTCL project was awarded by the Ministry of Power to TEECL and TPGCL through a letter of intent dated September 8, 2013 for a 35-year period from the scheduled commercial operation date of the PTCL project, on a BOOM basis. In August, 2018, we completed the acquisition of 74% of the equity shares of PTCL from TEECL and TPGCL. As of the date of this Preliminary Placement Document, IndiGrid indirectly holds 100% of the paid-up share capital of PTCL. As a result, we now own PTCL's one substation having 1,000 MVA of transformation capacity.

PTCL constitutes a key component in strengthening the power transmission system in the state of Punjab. PTCL operates one 400 kV D/C line from Patiala to Kaithal in Punjab and has a 1000 MVA, 400/220 kV substation at Patran and 14 kV line bays. The Patiala – Kaithal 400 kV D/C transmission line was commissioned in November 2016. The net depreciated value of the asset as of September 30, 2023 is ₹ 1,089 million. Details of PTCL's transmission lines are set forth as follows:

Transmission Line / Substations	Route Length (ckms)	Specifications	Commission Date	Expiry of term of the TSA	Contribution to Total Tariff
Patiala—Kaithal	-	400 kV D/C	November 11, 2016	November 11, 2051	-
Patran substation	-	2*500MVA, 400/220kV Substation at Patran with; i. 6 nos 400kV Bays ii. 8 nos 220kV Bays	November 11, 2016	November 11, 2051	100%

The average quarterly availability of PTCL since commissioning is set forth in the following table, which is higher than the target availability of 98% under the PTCL TSA.



As a result, PTCL earned a revenue of ₹ 159.00 million as of September 30, 2023. As of September 30, 2023, there was no debt outstanding to external lenders. As of September 30, 2023, PTCL has availed ₹ 1,551.10 million from IndiGrid.

As of September 30, 2023, the PTCL TSA had a remaining term of over 28 years 2 months.

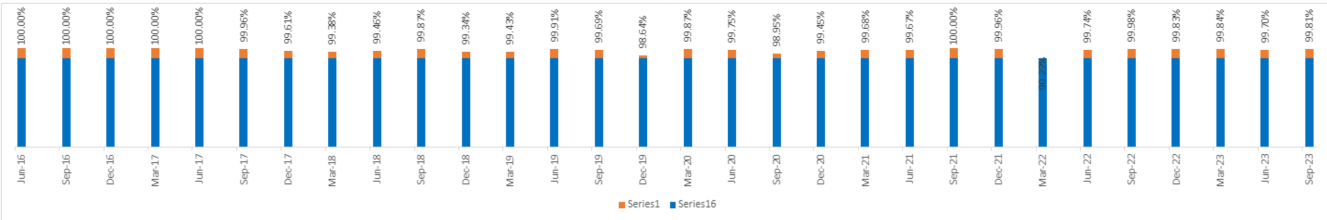
NRSS XXIX Transmission Limited

NTL was incorporated on July 29, 2013. NTL entered into a TSA on January 2, 2014 with LTTCs and December 22, 2015 with PGCIL. The NTL project was awarded by the Ministry of Power on May 23, 2014 for a 35-year period from the scheduled commercial operation date of the NTL project, on a BOOM basis. We acquired NTL from SPTL in June, 2019.

The NTL project was expected to deliver over 2,000 MW of electricity from Punjab to the Kashmir Valley by strengthening the transmission system in the states of Jammu and Kashmir and Punjab. The Jalandhar-Samba 400 kV D/C transmission line was commissioned in June 24, 2016 and the Uri-Wagoora transmission line was commissioned on September 1, 2018. The project was fully commissioned in September 2018 at a total cost of ₹ 28,082 million. The net depreciated value of the asset as of September 30, 2023 is ₹ 23,693.00 million. Details of NTL's transmission lines and substations are set forth as follows:

Transmission Line / Substation	Route Length (ckms)	Specifications	Commissioned Date	Expiry of TSA term	Contribution to Total Tariff
Jalandhar—Samba	270	400 kV D/C	June 24, 2016	September 2053	22.1%
Samba—Amargarh	547	400 kV D/C	September 1, 2018	September 2053	77.9%
Uri—Wagoora	14		September 1, 2018	September 2053	
Amargarh Substation	—	400/220 kV D/C GIS Substation with 735 MVA of transformation capacity	September 2, 2018	September 2053	

The average quarterly availability of NTL since commissioning is set forth in the table below:



NTL earned annual incentive revenue of ₹ 2,603.00 million as of September 30, 2023. As of September 30, 2023, there was no debt outstanding to external lenders. As of September 30, 2023, NTL has availed ₹ 23,393.64 million from IndiGrid.

As of September 30, 2023, the NTL TSA had a remaining term of over 29 years 11 months.

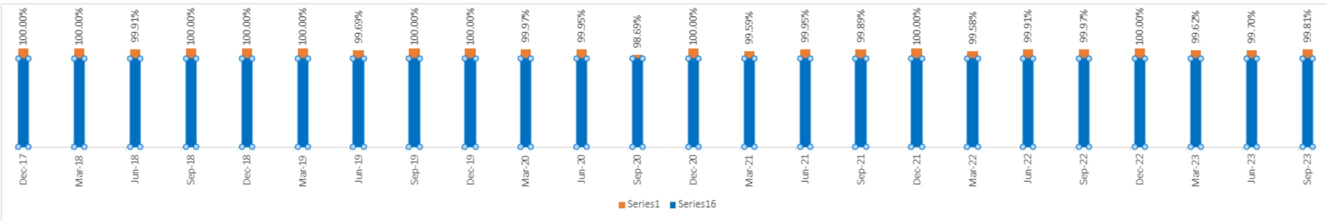
NTL filed a petition dated June 22, 2016 under Section 79(1)(f) read with Section 79(1)(c) of the Electricity Act against PGCIL (in its capacity as a Central Transmission Utility) and the lead long term customers before the CERC seeking payment of monthly transmission charges for the period starting from April 7, 2016 under the NTL TSA and an order dated July 15, 2015 issued by the Ministry of Power entitled "Policy for Incentivizing Early Commissioning of Transmission Projects" under which NTL is entitled to the payment of monthly transmission charges from the actual date of commercial operation, April 7, 2016, which is in advance of the scheduled commercial operation date of June 3, 2017. Pursuant to CERC's order, NTL received tariffs for the stated period for the Jalandhar-Samba line, after which, NTL withdrew its petition.

Odisha Generation Phase - II Transmission Limited

OGPTL was incorporated on April 17, 2015. OGPTL entered into a TSA on November 20, 2015 with LTTCs and a TSA dated April 27, 2017 with PGCIL. The OGPTL project was awarded by the Ministry of Power on January 6, 2016 for a 35-year period from the scheduled commercial operation date of the OGPTL project, on a BOOM basis. We acquired OGPTL from SPTL in July, 2019. The Jharsuguda-OPGC 400kV D/C transmission line was commissioned in August 2017 and Raipur- Jharsuguda line was commissioned in April, 2019. The net depreciated value of the asset as of September 30, 2023 is ₹10,587.00 million. Details of OGPTL's transmission lines are set forth as follows:

Transmission Line	Route Length (ckms)	Specifications	Commission Date	Expiry of TSA Term	Contribution to Total Tariff
Raipur – Jharsuguda	608	765kV D/C	April 6, 2019	August 2054	94%
Jharsuguda – OPGC	103	400 kV D/C	August 30, 2017	July 2052	6%

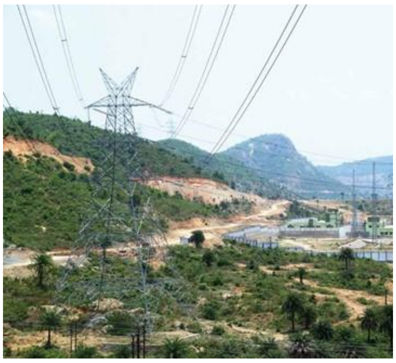
The average quarterly availability of OGPTL since commissioning is set forth in the table below.



OGPTL earned a revenue of ₹ 790.00 million as of September 30, 2023. As of September 30, 2023, there was no debt outstanding to external lenders. As of September 30, 2023, OGPTL has availed ₹ 10,951.24 million from IndiGrid.

As of September 30, 2023, the OGPTL TSA had a remaining term of over 30 years 6 months.

East North Interconnection Company Limited



ENICL was incorporated on February 1, 2007. ENICL entered into a TSA dated August 6, 2009 with the LTTC and a TSA dated January 28, 2013 with PGCIL. The ENICL project was awarded by the Ministry of Power on January 7, 2010 for a 25-year period from the date of issue of the license by CERC, on a BOOM basis. We acquired ENICL from SPTL in May, 2020.

ENICL operates two EHV overhead transmission lines of approximately 909 ckms in the states of Assam, Bihar and West Bengal, comprising one 400 kV D/C line of approximately 443 ckms from Bongaigaon (Assam) to Siliguri (West Bengal) and one 400 kV D/C line of approximately 466 ckms from Purnia (Bihar) to Biharsharif (Bihar). The project was fully commissioned in November 2014 at a total cost of ₹11,760 million.

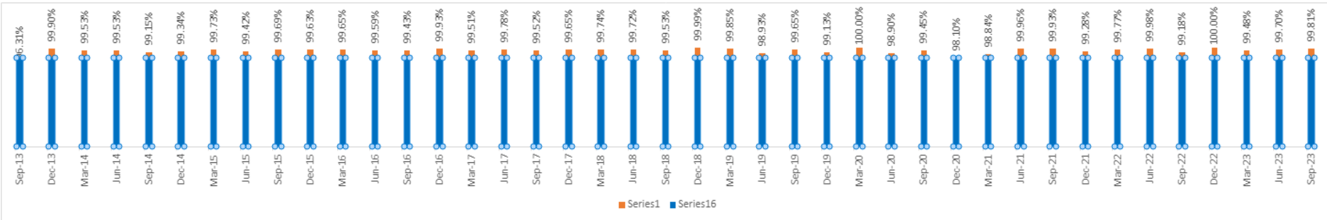
Details of ENICL's transmission lines are set forth as follows:

Transmission Line	Route Length (ckms)	Specifications	Commission Date	Contribution to Total Tariff
Bongaigaon-Siliguri	443	400 kV D/C	November 12, 2014	52%
Purnia-Biharsharif	466	400 kV D/C	September 16, 2013	48%

ENICL's transmission lines could not be commissioned on time due to force majeure events, including delay in receiving forest clearance, floods, strikes, riots and bandhs. The delay was acknowledged by CERC and the scheduled commercial operation date was revised accordingly. CERC, by its order dated August 24, 2016 held that ENICL was entitled to the payment of debt service for the period of force majeure in the form of an increase in non-escalable transmission charges in accordance with the ENICL TSA; however, such amount has not yet been fixed. Subsequently, ENICL filed a petition before the CERC praying for relief including approving the quantification of increase of 8.54% per annum in the non-escalable transmission charges and restoring ENICL to the same economic condition as prior to the occurrence of the change in law and force majeure events.

ENICL's 400 kV D/C line from Purnia to Biharsharif were inoperable from August, 2018, to December 29, 2019when flooding damaged a transmission tower due to erosion of the river bank. A similar incident happened in the past, when the line was inoperable from August 2016 to July 2017, on account of damage to a transmission tower due to flooding. ENICL obtained deemed availability certificates from August 2016 to July 2017. The net depreciated value of the asset as of September 30, 2023 is ₹ 7,574.00 million.

The average quarterly availability of ENICL since commissioning is set forth in the table below, which is higher than the target availability of 98% under the ENICL TSA.



As a result, ENICL earned annual incentive fees of ₹ 25.29 million as of September 30, 2023. As of September 30, 2023, there was no debt outstanding to external lenders. As of September 30, 2023, ENICL has availed ₹ 8,269.83 million from IndiGrid.

As of September 30, 2023, the ENICL TSA had a remaining term of over 12 years 1 month.

Gurgaon-Palwal Transmission Limited

GPTL was incorporated on October 26, 2015. GPTL entered into a TSA on March 4, 2016 and a revenue sharing agreement with PGCIL on April 27, 2017. The GPTL project was awarded by the Ministry of Power on March 17, 2016 for a 35-year period from the scheduled commercial operation date of the GPTL project, on a BOOM basis. We acquired 49% of GPTL (with 100% economic interest) from SGL4 in August, 2020. Details of GPTL's transmission lines, substations and line bays are set forth as follows:

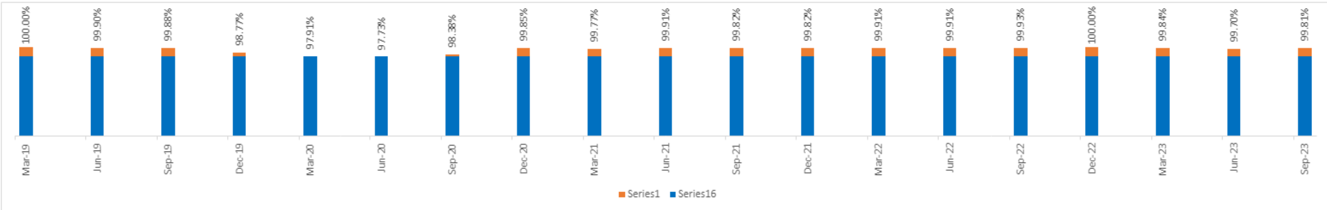
Transmission Line / Substations	Route Length (ckms)	Specifications	Commission Date	Expiry of TSA Term	Contribution to Total Tariff
Aligarh - Prithala	99	400 kV D/C HTLS line	August 06, 2019	July 2054	17.5%
Prithala – Kadarpur	58	400 kV D/C HTLS line	December 7, 2019	July 2054	8.5%

Transmission Line / Substations	Route Length (ckms)	Specifications	Commission Date	Expiry of TSA Term	Contribution to Total Tariff
Kadarpur-Sohna Road	21	400 kV D/C HTLS line	March 21, 2020	July 2054	1.3%
LILO of Gurgaon Manesar	1	400 kV D/C Quad line	March 13, 2020	July 2054	0.75%
Neemrana – Dhonanda	93	400 kV D/C HTLS line	February 25, 2019	July 2054	12.55%
Kadarpur substation	-	400/220 kV, 2 x 500 MVA	December 11, 2019	July 2054	19.3%
Sohna Road substation	-	400/220 kV, 2 x 500 MVA	April 13, 2020	July 2054	20%
Prithala substation	-	400/220 kV, 2 x 500 MVA	August 8, 2019(1)	July 2054	19.3%
Dhonanda substation	-	Two 400 kV line bays	February 25, 2019	July 2054	0.8%

(1) Deemed commission date.

The net depreciated value of the asset as of September 30, 2023 is ₹ 9,214.00 million. Additionally, GPTL earned a revenue of ₹ 712.00 million as of September 30, 2023. As of September 30, 2023, there was no debt outstanding to external lenders. As of September 30, 2023, GPTL has availed ₹ 9,783.28 million from IndiGrid.

The average quarterly availability of GPTL since commissioning is set forth in the table below.



Jhajjar KT Transco Private Limited

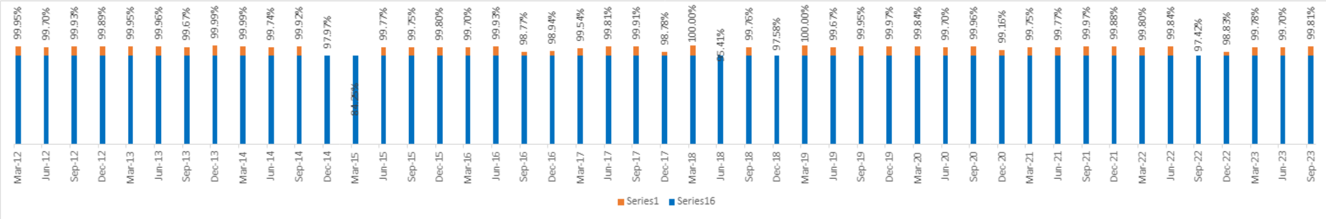
JKTPL was incorporated on May 19, 2010. JKTPL entered into a TSA on May 28, 2010 with HVPNL. Based on the competitive bidding process conducted by HVPNL, PTL and TEECL were awarded the JKPTL project through public private partnership on design, build, finance, operate and transfer basis with viability gap funding. HVPNL has granted JKTPL the concession, including the exclusive right and authority to construct, operate and maintain the JKTPL project and to provide transmission services, for a period of 25 years with effect from November 9, 2010, being the appointed date, unless extended by HVPNL. The net depreciated value of the asset as of September 30, 2023 is ₹ 1.00 million. In October 2020, we completed the acquisition of 100% of the equity shares of JKTPL from KPTL and TEECL. Details of the JKTPL's transmission lines are set forth as follows:

Transmission Line / Substation	Route Length (ckms)	Specifications	Commissioned Date	Expiry of TSA term
Jharli (Jhajjar) -Kabulpur (Rohtak)	70	400 kV	March 12, 2012	25 years from the appointed date - November 9, 2035
Kbulpur (Rohtak) -Dipalpur (Sonepat)	134	400 kV	March 12, 2012	
Dipalpur substation Abdullapur - Bawana line	0.7	400 kV S/C loop in loop out line at 400kV substation Dipalpur of 400 kV D/C line at from Abdullapur-Bawana	March 12, 2012	
Kabulpur (Rohtak) substation	-	400 kV/220 kV/ 132 kV	March 12, 2012	

Transmission Line / Substation	Route Length (ckms)	Specifications	Commissioned Date	Expiry of TSA term
Dipalpur (Sonepat) substation	-	400 kV/220 kV/ 132 kV	March 12, 2012	

As of September 30, 2023, there was no debt outstanding to external lenders. As of September 30, 2023, JKTPL has availed ₹ 1,432.52 million from IndiGrid. As of September 30, 2023, the JKTPL TSA had a remaining term of over 22 years 1 month.

The average quarterly availability of JKTPL since commissioning is set forth in the table below.



Parbati Koldam Transmission Company Limited

PrKTCL was incorporated on September 2, 2002. PrKTCL has entered into various bulk power transmission agreements with beneficiaries such as (i) Punjab State Electricity Board on December 17, 2008, (ii) Ajmer Vidyut Vitran Nigam Limited on November 27, 2008, (iii) BSES Rajdhani Power Limited on November 24, 2008, (iv) BSES Yamuna Power Limited on November 24, 2008, (v) President of India through Secretary Engineering Department of Chandigarh, Administration having its office at U.T. Sectt., Deluxe Building, Sector 9-D, Chandigarh 160 009, on January 17, 2009, (vi) Haryana Power Purchase Centre on behalf of Uttar Haryana Vidyut Vitran Nigam Limited and Dakshin Haryana Vidyut Vitran Nigam Limited, on December 3, 2008, (vii) Himachal Pradesh State Electricity Board on January 20, 2009, (viii) Power Development Department, Government of Jammu and Kashmir on May 19, 2009, (ix) Jodhpur Vidyut Vitran Nigam Limited on December 11, 2008, (x) Jaipur Vidyut Vitran Nigam Limited on November 27, 2008, (xi) North Delhi Power Limited on January 5, 2009, (xii) Uttar Pradesh Power Corporation Limited on December 12, 2008, and (xiii) Uttarakhand Power Corporation Limited on April 2, 2009 and a TSA and RSA with PGCIL on December 24, 2013. PGCIL had incorporated PrKTCL as a special purpose vehicle to maintain the PrKTCL project on BOO basis, i.e. to be maintained on a perpetual basis by the shareholders of the project. Similar to other assets in our portfolio, the transmission license was granted to PrKTCL for a period of 25 years on September 15, 2008. PrKTCL, under CERC (Terms and Conditions of Tariff) Regulations, 2019 is eligible to receive tariff for a period of 35 years from the date of commissioning of the project elements. In January, 2020, we completed the acquisition of 74 % of the equity shares of PrKTCL from Reliance Infrastructure Limited. As of the date of this Preliminary Placement Document, IndiGrid holds 100% of the share capital of PrKTCL.

PrKTCL operates three transmission lines, subdivided into various revenue generating elements, with a total circuit length of has approximately 458 ckms of 400 kV transmission lines and substations, including, Koldam - Ludhiana line, with a length of 301 ckms, LILO of Parbati III HEP to LILO of Parbati Pooling Station line, with a length of 3.5 ckms, Banala to Nalagarh line, with a length of 66 ckms, Banala to Koldam line, with a length of 63 ckms, Parbati II to Banala line, with a length of 14 ckms, and Parbati II to Parbati III line, with a length of 10 ckms, as a part of the transmission system to evacuate power from the Parbati – II, Parbati – III and Koldam hydel power projects. The project was fully commissioned on November 3, 2015 at a total cost of approximately 9,400 million. Details of PrKTCL's transmission lines and line bays are set forth as follows:

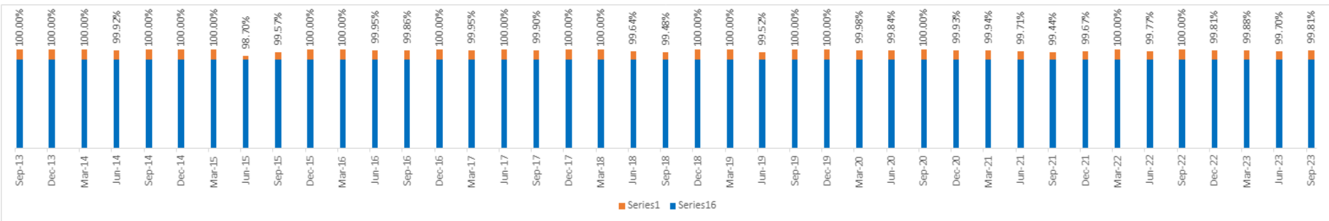
Transmission Line / Substations	Route Length (ckms)	Specifications	Commission Date	Expiry of TSA Term
LILO point of Parbati III HEP to LILO point of Parbati Pooling Station	400 kV S/C, Quad Bundle Line, Section of CKt-II of Parbati-II to Koldam Transmission Scheme	3.5	August 01, 2013	35 years from COD i.e. FY 2049-50, as per CERC (Terms and Condition of Tariff) Regulations, 2019
Banala – Nalagarh	400 kV S/C along with D/C Quad Bundle Line, Part of Ckt-I of Parbati-II – Koldam Transmission Scheme starting from LILO point of Banala Pooling Station to Tower 9C of Ckt-I of Koldam – Nalagarh TL	66	October 10, 2014	
Banala - Koldam	400 kV S/C alongwith D/C Quad Bundle Line, Part of Ckt-II of Parbati-II – Koldam Transmission Scheme starting from LILO point of Banala Pooling Station to Tower 9E of Ckt-I of Koldam – Nalagarh TL	63	October 4, 2014	
Parbati-II – Banala	400 kV S/C alongwith D/C Quad Bundle Line, Part of Ckt-I of Parbati-II – Koldam Transmission Scheme starting from Parbati-II HEP to LILO point of Banala Pooling Station	14	November 3, 2015*	
Parbati-II – Parbati-III	400 kV S/C alongwith D/C Quad Bundle Line, Part of Ckt-I of Parbati-II – Koldam Transmission Scheme starting from Parbati-II HEP to LILO point of Parbati-III HEP (Post commissioning of Sainj HEP of HPPCL this section has been connected at Loc.#2 forming Parbati-II – Sainj and Sainj – Parbati-III Sections)	10	November 3, 2015*	
Koldam – Ludhiana	400 kV D/C, Triple Bundle Line.	301	Ckt-I: August 7, 2014 Ckt-II: April 1, 2015	

** The transmission line elements have been claimed as commissioned with effect from July 1, 2015 as per the CERC Tariff Petition.*

The net depreciated value of the asset as of September 30, 2023 is ₹ 6,079.00 million. PrKTCL earned transmission system availability revenue of ₹ 689.00 million as of September 30, 2023. As of September 30, 2023, there was no debt outstanding to external lenders. As of September 30, 2023, PrKTPL has availed ₹ 2,611.85 million from IndiGrid.

As of September 30, 2023, the PrKTCL TSA had a remaining term of over 26 years.

The average quarterly availability of PrKTCL since commissioning is set forth in the table below.



NER II Transmission Limited

NER was incorporated on April 21, 2015. NER entered into a TSA on December 27, 2016 with the LTTCs. The NER project was awarded by the Ministry of Power on February 22, 2017 for a 35-year period from the scheduled commercial operation date of the NER project, on a BOOM basis. The NER project is located in the state of Tripura, Assam and Arunachal Pradesh.

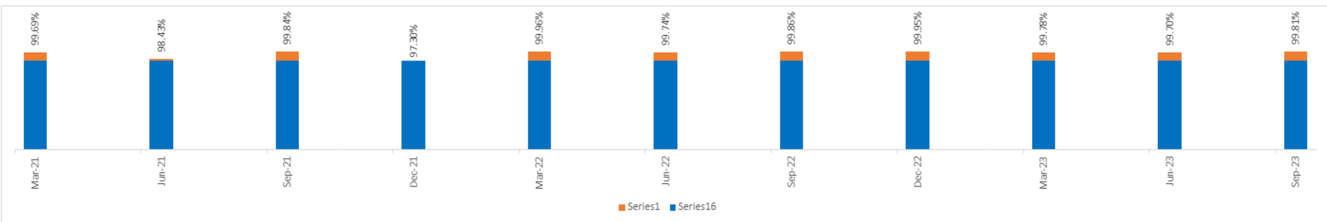
The following table sets forth a summary description of NER:

Project	Location	Status	Description	Route Length (ckms)	Term of TSA
NER[1]	Arunachal Pradesh, Assam and Tripura	Fully Commissioned	Three 132kV D/C lines (AGTPP – P.K. Bari, BNC & LILO) two 400kV D/C transmission lines; two 400/132kV (2*315) MVA substations, One 400kV Bay extension at Palatana and Three (3) 132kV Bay extensions at Itanagar, NEEPCO & P.K. Bari	831	35 years

Details of NER's transmission lines, substations and line bays are set forth as follows:

Transmission line/Sub-station	Location	Route length (ckms)	Specifications	Actual commissioning Date
BNC – Itanagar	Assam, Arunachal Pradesh	132 kV DC	136	April 6, 2021
LILO of Biswanath Chariali (PG) – Itanagar	Arunachal Pradesh	132 kV DC	18	April 6, 2021
Line bays at Itanagar substation	Arunachal Pradesh	2 No. of line bays 132 KV	NA	April 6, 2021
Silchar – Misa	Assam	400 kV DC	357	February 26, 2021
Surajmaninagar substation	Tripura	400/132 kV (7x105 MVA)	NA	January 27, 2021
Surajmaninagar – PK Bari 400/132 kV	Tripura	400 kV DC	155	January 27, 2021
Palatana GBPP – switchyard	Tripura	2 no. of line bays at 400 kV	NA	January 27, 2021
NEEPCO – PK Bari	Tripura	132 kV DC	167	February 20, 2021
AGTPP (NEEPCO) line bays	Tripura	2 No. of line bays 132 kV	NA	February 20, 2021
PK Bari (TSECL) line bays	Tripura	2 No. of line bays 132 kV	NA	February 20, 2021
PK Bari substation	Tripura	400/132 kV (7x105 MVA)	NA	January 27, 2021

The net depreciated value of the asset as of September 30, 2023 is ₹ 28,068.00 million. NER earned transmission system availability revenue of ₹ 2,473.00 million for the period ended September 30, 2023. As of September 30, 2023, there was no debt outstanding to external lenders. As of September 30, 2023, NER has availed ₹ 28,105.73 million from IndiGrid. As of September 30, 2023, the NER TSA had a remaining term of over 32 years 6 months. The average quarterly availability of NER since commissioning is set forth in the table below.



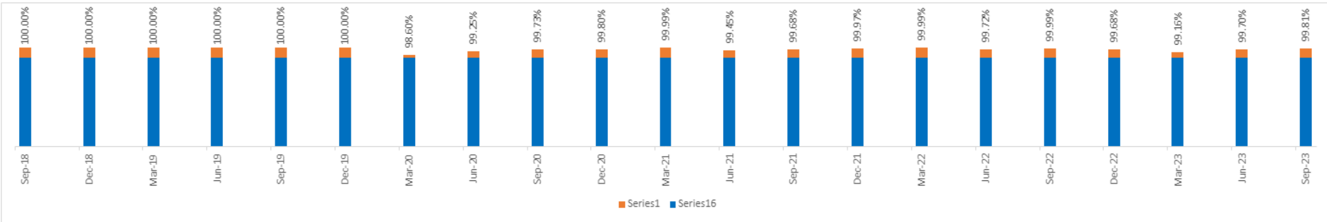
Khargone Transmission Limited

KTL was incorporated on November 28, 2015. KTL entered into a TSA on March 14, 2016 with the LTTCs. The KTL project was awarded by the Ministry of Power on May 26, 2016 for a 35-year period from the scheduled commercial operation date of the KTL project, on a BOOM basis. Details of KTL's transmission lines and line bays are set forth as follows:

Transmission Line	Route Length (ckms)	Specifications	Commission Date	Expiry of TSA Term
LILO of Khandwa – Rajgarh line	14	400 kV D/C line	July 8, 2018	July 2054
Khargone TPP Switchyard – Khandwa Pool	50	400 kV D/C line	March 19, 2020	July 2054
Khandwa Pool - Indore	180	765 kV D/C line	March 19, 2020	July 2054
Khandwa Pool - Dhule	383	765 kV D/C line	December 13, 2021	July 2054
Khandwa pooling station	-	3,000 MVA transformation capacity	March 19, 2020	July 2054

Transmission Line	Route Length (ckms)	Specifications	Commission Date	Expiry of TSA Term
2 Nos. of 765 kV line bays and 7x80 MVAR Switchable line reactors (1 Unit as spare) along with 800 Ω NGR and its auxiliaries for Khandwa Pool – Dhule 765 kV D/C at Dhule 765/400 kV substation	-	765 kV line bays and 7x80 MVAR switchable reactors	December 13, 2021	July 2054
Total	627			

The net depreciated value of the asset as of September 30, 2023 is ₹ 15,338.00 million. KTL earned transmission system availability revenue of ₹ 15,337.55 million for the period ended September 30, 2023. As of September 30, 2023, the KTL TSA had a remaining term of over 30 years 10 months. As of September 30, 2023, there was no debt outstanding to external lenders. As of September 30, 2023, KTL has availed ₹ 14,887.94 million from IndiGrid. The average quarterly availability of KTL since commissioning is set forth in the table below.



Kallam Transmission Limited

Kallam Transmission Limited ("Kallam") was incorporated on May 28, 2020. Kallam entered into a TSA dated September 30, 2021 with the LTTCs. The letter of intent for development of Kallam was awarded to consortium of IGL1 and IGL2 ("**IndiGrid Consortium**") by the REC Power Development and Consultancy Limited on November 30, 2021 for a 35-year period from the scheduled commercial operation date, on a Build, Own, Operate and Maintain model. IndiGrid Consortium acquired the project on December 28, 2021. The project is currently under development and the scheduled commissioning date was June 2023 but is now expected to be completed in December 2023.

The following table sets forth a summary description of Kallam:

Location	Status	Description	Route Length (ckms)	Term of TSA
Maharashtra	Under construction	1 Multicircuit line, LILO of both circuits of Parli (PG) – Pune (GIS) 400kV D/c line at Kallam PS; 2x500 MVA, 400/220 kV 8 line bays (4x 400 kV, 4x220 kV) 4 ICT bays (2x400 kV, 2x220 kV) at Kallam sub-station; Bus reactor at Kallam PS 400 kV reactor bay – 1; Switchable line reactor with 400 ohms NGR at Kallam PS end of Kallam – Pune (GIS) 400 kV D/c line	18	June 2058

The net depreciated value of the asset as of September 30, 2023 is ₹ 130.00 million. As of September 30, 2023, there was no debt outstanding to external lenders. As of September 30, 2023, Kallam has availed ₹ 1,777.10 million from IndiGrid. As of September 30, 2023, the Kallam TSA had a remaining term of over 35 years.

Pursuant to the Electricity Act, all transmission projects have to procure permits and clearances from various government departments in India, in order to be commissioned and receive tariffs. The status of the approvals and clearances for Kallam as of September 30, 2023 is set forth in the table below:

Project	SPV acquisition	Approval for overhead lines (S.68 of EA)	Transmission license (CERC)	Tariff orders (CERC)	Financial closure	Forest clearance	Wildlife clearance	Construction	Approval under S.164 of EA
Kallam	Yes	Yes	Yes	Yes	No	NA	NA	Under progress	Yes

The construction status of Kallam is set forth in the following table as of September 30, 2023:

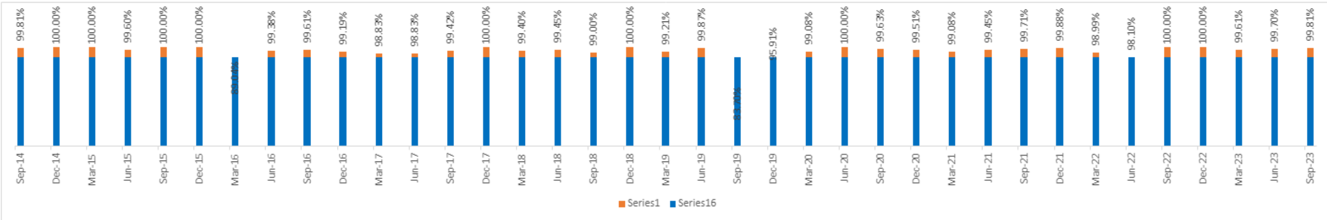
Foundations	Tower erection	Stringing	Substation Construction	Percent of completed construction as at September 30, 2023
77%	51%	0% (Under Progress)	79%	69%

Raichur Sholapur Transmission Company Private Limited

RSTCPL was incorporated on November 11, 2009. RSTCPL entered into a TSA on May 5, 2010 with LTTCs. The Letter of Intent (LoI) for the RSTCPL project was awarded to consortium of Patel Engineering Limited (PEL), Simplex Infrastructures Limited (SIL) and BS Limited (BSL) by the RECPDCL (erstwhile RECTCL) on December 16, 2010 for a 35-year period from the scheduled commercial operation date, on a Build, Own, Operate and Maintain (BOOM) basis. IndiGrid acquired RSTCPL from the consortium in November 2022.

Transmission Line	Route Length (ckms)	Specifications	Commission Date	Expiry of TSA Term
Raichur - Sholapur	208	765 kV S/C line	July 4, 2014	January 2049

The net depreciated value of the asset as of September 30, 2023 is ₹ 1,963.00 million. RSTCPL earned transmission system availability revenue of ₹ 182.00 million for the period ended September 30, 2023. As of September 30, 2023, there was no debt outstanding to external lenders. As of September 30, 2023, RSTCPL has availed ₹ 2,083.36 million from IndiGrid. As of September 30, 2023, the RSTCPL TSA had a remaining term of over 25 years 3 months. The average quarterly availability of RSTCPL since commissioning is set forth in the table below.



Terralight Solar Energy Sitamauss Private Limited

TSESPL was incorporated on August 07, 2014, under the Companies Act, 2013 at Delhi, India as Focal Energy Solar Three India Private Limited. TSESPL facilitates step-up and evacuation to four solar assets, on a cost-to-cost basis, namely, GSPPL, TSEP (which are owned and operated by IndiGrid), Focal Photovoltaic India Private Limited and Focal Renewable Energy Two India Private Limited (which are owned and operated by third parties).

Transmission Line	Route Length (ckms)	Specifications	Commission Date	Expiry of TSA Term
132 kV single circuit Panther	0.4 km	132 kV single circuit Panther	June 6, 2015	N.A.

The net depreciated value of the asset as of September 30, 2023 is ₹ 90.00 million. As of September 30, 2023, there was no debt outstanding to external lenders.

Summary of Key Agreements of the Transmission Assets

The majority of our Transmission Assets have entered into TSAs and RSAs the key terms of which are provided below.

TSA

The majority of our Transmission Assets entered into TSAs with long-term transmission customers to set up projects on a BOOM basis and to provide transmission services on a long-term basis to such customers on the terms and conditions contained in the TSAs. The term of each TSA is 35 years from the scheduled commercial date of operation of the applicable project, (other than for ENICL and JKTPL, which is for 25 years), unless terminated earlier in accordance with the terms of the TSA. The TSAs provide for, among other things, details and procedures for project execution, development and construction, operation and maintenance.

Pursuant to the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 ("**Sharing Regulations 2010**"), the majority of our Transmission Assets also entered into TSAs with the CTU, to govern the provision of inter-state transmission services, specifically in relation to sharing of transmission charges and losses and disbursing the transmission charges collected by the CTU. The inter-state transmission service customers and inter-state transmission service licensees are required to abide by the detailed billing, collection and disbursement procedure of the CTU and with the terms of the TSA. The CTU raises bills and also collects and disburses in accordance with the detailed billing, collection and disbursement procedures of the CTU, as approved by CERC. Under the terms of the TSA, each inter-state transmission service customer has agreed to allow the CTU to enforce recovery of payment through a letter of credit on behalf of all the inter-state transmission service licensees in the event of default of payment. If payment by an inter-state transmission service customer against any invoice raised under the billing, collection and disbursement procedure, is outstanding beyond 30 days after the due date or in case the required letter of credit or any other agreed payment security mechanism is not maintained by the inter-state transmission service customer, the CTU is empowered to undertake regulation of power supply on behalf of all the inter-state transmission service licensees so as to recover charges under the provisions of the Central Electricity Regulatory Commission (Regulation of Power Supply) Regulations, 2010 (the "**Power Supply Regulations**"). Additionally, the Sharing Regulations 2010 have been amended and replaced by the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020, which have come into effect from November 1, 2020.

The TSA also provides for force majeure relief to the inter-state transmission service licensees and inter-state transmission service customers (the "**Affected Parties**") affected by the occurrence of a force majeure event. The TSA defines a force majeure event as an event or circumstance, or a combination thereof, that wholly or partly prevents or unavoidably delays the Affected Party in the performance of its obligations under such TSAs, but only if and to the extent that such event or circumstance is not within the reasonable control, directly or indirectly of the Affected Party and could not have been avoided if the Affected Party had taken reasonable care or complied with Prudent Utility Practices (as defined in the TSA), and includes, among others, an act of God, act of war, radioactive contamination or ionizing radiation originating from a source in India and industry-wide strikes and labour disturbances having a nationwide impact in India. To the extent not prevented by a force majeure event, the Affected Party must continue to perform its obligations under the TSA and must use its efforts to mitigate the effect of such event, as soon as practicable. The Affected Party will not be in breach of its obligations under the TSA, except to the extent that the performance of its obligations was prevented, hindered or delayed due to a force majeure event. Each inter-state transmission service customer or inter-state transmission service licensee is entitled to claim relief for a force majeure event affecting its performance in relation to its obligations under the TSA. Computation of availability under outage due to a force majeure event must be in accordance to the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 as amended from time to time and any subsequent enactment thereof.

The TSA entered into with the cTU also defines change in law as being, among other events which result into any additional recurring/non-recurring expenditure by the inter-state transmission service licensees or any income to the inter-state transmission service licensees, (i) the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any law, including rules and regulations framed pursuant to such law, (ii) change in the interpretation or application of any law by any Indian governmental instrumentality having the legal power to interpret or apply such law, or any competent court of law, (iii) the imposition of a requirement for obtaining any consents, clearances and permits which were not required earlier or a change in the terms and conditions prescribed for obtaining such consents, clearances and permits or the inclusion of any new terms or conditions for obtaining such consents, clearances and permits (iv) any change in tax or the introduction of any tax made applicable for transmission service by the inter-state transmission service licensees, as per the terms of the TSA. Any adjustment in the monthly transmission charges due to a change in law is to be determined and effective from such date, as decided by the CERC, subject to rights of appeal provided under applicable law. Further, in case of ISTS awarded through the competitive bidding process under Section 63 of the Electricity Act, the reference date for determining the implications of change in law is seven days prior to the relevant bid due date for submission of a tariff bid.

RSA

Pursuant to the Sharing Regulations 2010, the majority of our Transmission Assets entered into RSAs with PGCIL. The transmission charges billed in accordance with the billing, collection and disbursement procedures set out in the TSAs with CTUs are disbursed to the inter-state transmission system licensees by the CTU, pursuant to and in accordance with the RSAs. The PoC charges for use of inter-state transmission services by the inter-state transmission services customers, and are billed and collected by the CTU on behalf of all inter-state transmission services licensees. The CTU must disburse the collected transmission charges to the respective inter-state transmission services licensees and owners of deemed inter-state transmission services whose transmission charges have been considered for the purpose of calculation of the PoC charges in accordance with the billing, collection and disbursement procedure set out in the TSAs with the CTU. Delayed payment or partial payment by any inter-state transmission services customers results in a pro-rata reduction in the payouts to all the inter-state transmission services licensees and owners of deemed inter-state transmission services whose transmission charges have been considered for the purpose of calculation of PoC charges. The revenue sharing statements to be submitted to the CTU and the modality of disbursements by the CTU must be in accordance with the billing, collection and disbursement procedure. Each inter-state transmission licensee, under the applicable RSA, empowers the CTU to enforce recovery of payment from the inter-state transmission service customers through payment security mechanisms in the event of default or partial payment by the inter-state transmission service customer, in accordance with the billing, collection and disbursement procedure. Each inter-state transmission licensee has further agreed and empowered the CTU to invoke the provisions of the Power Supply Regulations in accordance with the detailed billing, collection and disbursement procedure.

Solar Assets

The Solar Assets comprise a total of twenty one assets under sixteen SPVs located across several states in India. IndiGrid owns, directly or indirectly, 100% of all the Solar Assets. The Solar Projects have an aggregate capacity of 555 MW and are located across the states of Andhra Pradesh, Punjab, Tamil Nadu, Rajasthan, Gujarat, Maharashtra, Uttar Pradesh and Madhya Pradesh.

A brief description of the Solar Assets has been set out below:

Project Name	Commercial Operations Date	Contracted Capacity (MW AC)	Capacity (MW DC)	Tariff (₹/ kWh)	Off-taker	Duration of PPA (years)	Module Make and Inverter Make
IGL Solar I	July 22, 2018	50.00	68.00	4.43	SECI	25	Trina (modules) and Sungrow (Inverters)
IGL Solar II	January 31, 2019	50.00	70.00	4.43	SECI	25	Trina (modules) and Sungrow (Inverters)
GGEPL	June 19, 2013	50.00	50.00	12.20	NVVN	25 years from COD	Turbine - Siemens
GSPPL	January 29, 2016	20.00	23.60	6.969	MPPMSL	25 years from COD	Module - Solar Frontier Inverter - SMA, ABB
PLG	January 26, 2012	20.00	20.00	15 for first 12 years; 5 for subsequent 13 years.	GUVNL	25 years from COD	Module - Kyocera Inverter - ABB, Hitachi, Delta
Solar Edge	April 22, 2018; April 8, 2018 and April 26, 2018	130.00	169.00	4.43	SECI	25 years from COD	Modue - JA Solar, Astronergy, Canadian Solar Invertr - ABB
TKSPL (Kanji)	March 26, 2016	30.00	36.00	7.01	TANGEDCO	25 years from COD	Module – Talesun Inverter – ABB
TKSPL (Lalitpur)	March 19, 2015	10.00	12.40	8.44 for first 12 years, average power purchase cost price from 13th year	UPPCL	25 years from COD	Module – Jinko Solar, Trina, Jakson Inverter - Schneider
TSEC	March 4, 2012; March 31, 2012; April 12, 2012; October 31, 2012	13.00	15.00	11.32 for 12 years reducing as per PPA	GUVNL	25 years from COD	Module – First Solar Inverter - Hitachi, Delta

				after 13th year			
TNSPEPL	November 2, 2015; September 28, 2015; December 28, 2015	23.00	27.60	7.01	TANGEDCO	25 years from COD	Module – JA Solar Inverter - ABB
TRSPL	September 26, 2018	50.00	54.00	3.47	TANGEDCO	25 years from COD	Module – JA Solar Inverter - Sening
TSEG	March 26, 2013	5.00	5.50	8.99	NVVN	25 years from COD	Module – Nex Power/JA Solar Inverter - Schneider, Sungrow
TSEN	March 24, 2015	4.00	4.20	8.30	PSPCL	25 years from COD	Module – First Solar Inverter - SMA
TSEP	June 1, 2015; June 12, 2015	20.00	22.00	5.45	SECI	25 years from effective date, i.e., March 28, 2015	Module – First Solar Inverter - SMA,ABB
TSET	October 15, 2011	5.00	5.80	17.91	NVVN	25 years from COD	Module – First Solar Inverter - SMA
UMD	November 16, 2015; March 21, 2016	25.00	30.00	7.01	TANGEDCO	25 years from COD	Module – JA Solar Inverter - ABB
USUPL	September 15, 2016	30.00	37.00	9.33 for first 12 years, average power purchase cost price from 13th year	UPPCL	25 years from COD	Module – Canadian Solar
	February 26, 2013	20.00	25.88	8.59 (average for both plants)	NVVN	25 years from COD	Inverter – ABB Module - Vikram, Trina, Jakson, JA Solar Inverter - Schneider

The total revenue earned by each of the Solar Assets in fiscals 2023, 2022 and 2021 is set forth in the following table. The results for the periods presented below are not necessarily indicative of the results to be expected for any future period.

IGL Solar I			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Sale of power	120.64	440.64	460.25
Total revenue	**120.64**	**440.64**	**460.25**
IGL Solar II			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Sale of power	135.94	472.39	481.23
Total revenue	**135.94**	**472.39**	**481.23**
GGEPL			
	FISCAL		

(₹ *in million)*	2021	2022	2023
Sale of Power	1,142.77	1,021.19	976.51
Sale of carbon credits	-	43.80	-
Rebate	-	-	-20.45
Total revenue	**1,142.77**	**1,064.98**	**956.06**
GSPPL			
	FISCAL		
(₹ *in million)*	**2021**	**2022**	**2023**
Sale of Power	253.50	233.65	245.19
Total revenue	**253.50**	**233.65**	**245.19**
PLG			
	FISCAL		
(₹ *in million)*	**2021**	**2022**	**2023**
Sale of Power	463.84	469.43	477.06
Rebate	-5.32	-5.13	-5.28
SLDC charges	-	-	-0.08
Deferral of revenue	-152.08	-155.72	-158.23
Total revenue	**306.44**	**308.58**	**313.47**
Solar Edge			
	FISCAL		
(₹ *in million)*	**2021**	**2022**	**2023**
Sale of Power	1,108.89	1,048.37	1,100.24
Total revenue	**1,108.89**	**1,048.37**	**1,100.24**
TKSPL			
	FISCAL		
(₹ *in million)*	**2021**	**2022**	**2023**
Sale of Power	353.30	371.33	472.46
SLDC charges	-	-	-1.09
Rebate	-	-	-1.04
Total revenue	**353.30**	**371.33**	**470.33**
TSEC			
	FISCAL		
(₹ *in million)*	**2021**	**2022**	**2023**
Sale of Power	238.35	226.20	236.80
Rebate	-2.73	-2.19	-2.63
SLDC	-	-	-0.06
Deferral of revenue	-54.36	-52.17	-54.16
Total revenue	**181.26**	**171.84**	**179.94**
TNSPEPL			
	FISCAL		
(₹ *in million)*	**2021**	**2022**	**2023**
Sale of Power	276.28	283.76	283.54
Total revenue	**276.28**	**283.76**	**283.54**
TRSPL			
	FISCAL		
(₹ *in million)*	**2021**	**2022**	**2023**
Sale of Power	107.74	270.76	283.50
Total revenue	**107.74**	**270.76**	**283.50**
TSEN			
	FISCAL		
(₹ *in million)*	**2021**	**2022**	**2023**
Sale of Power	50.68	50.36	50.40
Total revenue	**50.68**	**50.36**	**50.40**
TSEG			
	FISCAL		
(₹ *in million)*	**2021**	**2022**	**2023**
Sale of Power	79.20	76.68	74.74
Rebate	-1.41	-1.58	-1.50
Total revenue	**77.79**	**75.10**	**73.23**
TSEP			
	FISCAL		
(₹ *in million)*	**2021**	**2022**	**2023**
Sale of Power	191.21	186.45	195.58
Rebate	-0.25	-0.05	-0.07
Total revenue	**190.96**	**186.40**	**195.51**
TSET			
	FISCAL		

(₹ in million)	2021	2022	2023
Sale of Power	159.34	160.23	162.20
Rebate	-3.06	-1.13	-5.02
Total revenue	**156.28**	**159.10**	**157.17**
UMD			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Sale of Power	288.54	309.31	315.51
Total revenue	**288.54**	**309.31**	**315.51**
USUPL			
	FISCAL		
(₹ in million)	**2021**	**2022**	**2023**
Sale of Power	489.36	497.81	598.88
Rebate	-3.66	-5.76	-7.18
Total revenue	**485.70**	**492.05**	**591.70**

IGL Solar I

IGL Solar I entered into a power purchase agreement dated October 5, 2016 with SECI ("**IGL I PPA**"), wherein SECI agreed to procure power from IGL Solar I for 50 MW from the solar power generation facility located at Ananthapuramu Solar Park (developed by Andhra Pradesh Solar Power Corporation Limited) at Plot no. 2, Galiveedu Mandal, Dist. Kadapa, Andhra Pradesh at a pre-determined tariff of ₹ 4.43/kWh, for the entire term of the IGL I PPA i.e. 25 years from the commercial operations date. We acquired IGL Solar I in December 2020. The net depreciated value of the asset as of September 30, 2023 is ₹ 2,233.65 million. As of September 30, 2023, the IGL Solar I PPA had a remaining term of over 19 years 10 months. For further details of the IGL I PPA, please see the section entitled "*Our Business - Summary of Power Purchase Agreements*" on page 261.

Commissioning

The commercial operations date is July 22, 2018.

Land

IGL Solar I occupies the land on which the project is situated on a leasehold basis.

Financial Indebtedness

As of September 30, 2023, there was no debt outstanding to external lenders and the revenue from operations was ₹ 237.00 million. As of September 30, 2023, IGL Solar 1 has availed ₹ 2,606.48 million from IndiGrid.

IGL Solar II

IGL Solar II entered into a power purchase agreement dated October 5, 2016 with SECI ("**IGL I PPA**"), wherein SECI agreed to procure power from IGL Solar II for 50 MW from the solar power generation facility located at Ananthapuramu Solar Park (developed by Andhra Pradesh Solar Power Corporation Limited) at Plot no. 2, Galiveedu Mandal, Dist. Kadapa, Andhra Pradesh at a pre-determined tariff of ₹ 4.43/kWh, for the entire term of the IGL II PPA i.e. 25 years from the commercial operations date. We acquired IGL Solar I in December 2020. The net depreciated value of the asset as of September 30, 2023 is ₹ 2,297.00 million. As of September 30, 2023, the IGL Solar II PPA had a remaining term of over 20 years 4 months. For further details of the IGL II PPA, please see the section entitled "*Our Business - Summary of Power Purchase Agreements*" on page 261.

Commissioning

The commercial operations date is January 31, 2019.

Land

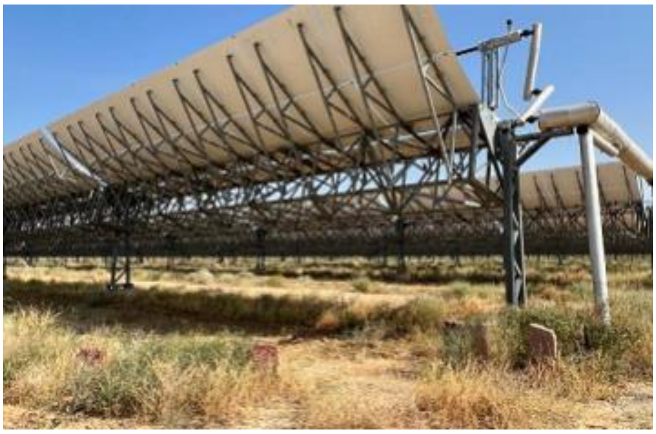
IGL Solar II occupies the land on which the project is situated on a leasehold basis.

Financial Indebtedness

As of September 30, 2023, there was no debt outstanding to lenders and the revenue from operations was ₹ 252.00 million. As of September 30, 2023, IGL Solar II has availed ₹ 2,724.69 million from IndiGrid.

GGEPL

GGEPL entered into a power purchase agreement dated January 10, 2011 with NTPC Vidyut Vyapar Nigam Limited ("**NVVN**"), as amended ("**GGEPL PPA**"), for sale of electricity from the GGEPL Project and a connection agreement dated October 14, 2014. The net depreciated value of the asset as of September 30, 2023 is ₹ 5,123.00 million. As of September 30, 2023, the GGEPL PPA had a remaining term of over 14 years 9 months. For further details of the GGEPL PPA, please see the section entitled "*Our Business – Summary of Power Purchase Agreements*" on page 261.



Commissioning

The actual commercial operations date is June 19, 2013.

Land

The land on which the project is situated is held by GGEPL on a leasehold and freehold basis.

Financial Indebtedness

As of September 30, 2023, there was no debt outstanding to external lenders and the revenue from operations was ₹ 574.00 million. As of September 30, 2023, GGEPL has availed ₹ 2,773.78 million from IndiGrid.

GSPPL

GSPPL entered into a power purchase agreement dated June 16, 2014 with MP Power Management Company Limited ("**MPPMCL**") ("**Globus PPA**"), for sale of electricity from the GSPPL Project. The net depreciated value of the asset as of September 30, 2023 is ₹ 907.00 million. As of September 30, 2023, the GSPPL PPA had a remaining term of over 17 years 4 months. For further details of the Globus PPA, please see the section entitled "*Our Business – Summary of Power Purchase Agreements*" on page 261.

Commissioning

The commercial operations date is January 29, 2016.

Land

The land on which the project is situated is held by GSPPL on a leasehold and freehold basis.

Financial Indebtedness

As of September 30, 2023, there was no debt outstanding to external lenders and the revenue from operations was ₹ 113.00 million. As of September 30, 2023, GSPPL has availed ₹ 1,506.45 million from IndiGrid.

PLG

PLG Photovoltaic Private Limited entered into power purchase agreements dated May 7, 2010 with Gujarat Urja Vikas Nigam Limited ("**GUVNL**"), as amended ("**PLG PPA**"), to supply 20 MW power at a pre-determined tariff of ₹15 per unit for the first 12 years and ₹ 5 per unit for the remaining 13 years of the tenure of the PPA. The net depreciated value of the asset as of September 30, 2023 is ₹ 987.00 million. As of September 30, 2023, the PLG PPA had a remaining term of over 13 years 4 months. For further details of the PLG PPA, please see the section entitled "*Our Business - Summary of Power Purchase Agreements*" on page 261.

Commissioning

The commercial operations date is January 26, 2012.

Land

The land on which the project is situated is held by PLG on a leasehold basis.

Financial Indebtedness

As of September 30, 2023, there was no debt outstanding to external lenders and the revenue from operations was ₹ 118.00 million. As of September 30, 2023, PLG has availed ₹ 479.85 million from IndiGrid.

Solar Edge

SECI and Solar Edge entered into a power purchase agreement (the "**Solar Edge PPA**") dated February 10, 2017, wherein SECI agreed to procure 130 MW AC power from Solar Edge power generation facilities at pre-determined tariff of ₹4.43 per unit for the entire term of the agreement, i.e. 25 years effective from April 22, 2018. The net depreciated value of the asset as of September 30, 2023 is ₹ 5,180.00 million. As of September 30, 2023, the Solar Edge PPA had a remaining term of over 19 years 7 months. For further details of the Solar Edge PPA, please see the section entitled "*Our Business - Summary of Power Purchase Agreements*" on page 261.

Commissioning

The commercial operations date for (i) 30 MW facility is April 22, 2018; (ii) 50MW Muktainagar facility is April 8, 2018; and (iii)50MW Parli facility – April 26, 2018 .

Land

The land on which the project is situated is held by Solar Edge on a leasehold basis.

Financial Indebtedness

As of September 30, 2023, there was no debt outstanding to external lenders and the revenue from operations was ₹ 522.00 million. As of September 30, 2023, Solar Edge has availed ₹ 7,177.27 million from IndiGrid.

TKSPL

TKSPL entered into Energy Purchase Agreement dated September 19, 2015 with Tamil Nadu Generation and Distribution Corporation Limited ("**TANGEDCO**") ("**TKSPL PPA**"), for sale of electricity from the TKSPL Project. Further, TKSPL entered into a power purchase agreement dated December 27, 2013 with UPPCL (as the off-taker) for the Lalitpur Project. The net depreciated value of the asset as of September 30, 2023 is ₹ 1,934.00 million. As of September 30, 2023, the TKSPL PPA had a remaining term of over 17 years 6 months. For further details of the TKSPL PPAs, please see the section entitled "*Our Business - Summary of Power Purchase Agreements*" on page 261.

Commissioning

The actual commercial operations date for the TKSPL Project is March 26, 2016 and for the Lalitpur Project is March 19, 2015.

Land

The land on which the TKSPL Project and the Lalitpur Project is situated is held by TKSPL on a freehold basis.

Financial Indebtedness

For the TKSPL Projects, as of September 30, 2023, there was no debt outstanding to external lenders and the revenue from operations was ₹ 265.00 million. As of September 30, 2023, TKSPL has availed ₹ 2,674.49 million from IndiGrid.

TSEC

TSEC and GUVNL entered into a power purchase agreement dated May 29, 2010, as amended ("**TSEC PPA**") for sale of electricity from the TSEC project. The net depreciated value of the asset as of September 30, 2023 is ₹ 528.00 million. As of September 30, 2023, the TSEC PPA had a remaining term of over 13 years 6 months. For further details of the TSEC PPA, please see the section entitled "*Our Business - Summary of Power Purchase Agreements*" on page 261.

Commissioning

The commercial operations date is (i) March 4, 2012 (4MW); (ii) March 31, 2012 (6 MW); (iii) April 12, 2012 (4.92 MW); and (iv) October 31, 2012 (0.08 MW).

Land

The land on which the project is situated is held by TSEC on a leasehold basis.

Financial Indebtedness

As of September 30, 2023, there was no debt outstanding to external lenders and the revenue from operations was ₹ 121.00 million. As of September 30, 2023, TSEC has availed ₹ 112.13 million from IndiGrid.

TNSPEPL

On March 5, 2015, March 17, 2015, and May 20, 2015, TANGEDCO and TNSPEPL entered into power purchase agreements (collectively, the "**TNSPEPL PPA**") wherein, TANGEDCO agreed to procure 23 MW AC power from TNSPEPL at pre-determined tariff of ₹7.01 per unit, without accelerated depreciation benefits for the entire term of the agreement, i.e., 25 years effective from the date of commencement of commercial operations of the project. The net depreciated value of the asset as of September 30, 2023 is ₹ 866.00 million. As of September 30, 2023, the TNSESPL PPA had a remaining term of over 17 years 1 month. For further details of the TNSPEPL PPA, please see the section entitled "*Our Business - Summary of Power Purchase Agreements*" on page 261.

Commissioning

The actual commercial operations date is November 2, 2015, September 28, 2015 and December 28, 2015.

Land

The land on which the project is situated is held by TNSPEPL on a freehold and leasehold basis.

Financial Indebtedness

As of September 30, 2023, there was no debt outstanding to external lenders and the revenue from operations was ₹ 147.00 million. As of September 30, 2023, TNSPEPL has availed ₹ 1,055.39 million from IndiGrid.

TRSPL

TRSPL entered into a Power Purchase Agreement dated September 27, 2017, as supplemented with TANGEDCO ("**TRSPL PPA**") for sale of electricity from the TRSPL project. The net depreciated value of the asset as of September 30, 2023 is ₹ 1,127.00 million. As of September 30, 2023, the TRSPL PPA had a remaining term of over 20 years. For further details of the TRSPL PPA, please see the section entitled "*Our Business - Summary of Power Purchase Agreements*" on page 261.

Commissioning

The commercial operations date is September 26, 2018.

Land

The land on which the project is situated is held by TRSPL.

Financial Indebtedness

As of September 30, 2023, there was no debt outstanding to external lenders and the revenue from operations was ₹ 147.00 million. As of September 30, 2023, TRSPL has availed ₹ 1,561.94 million from IndiGrid.

TSEG

TSEG and NVVN entered into a power purchase agreement dated January 27, 2012, as amended ("**TSEG PPA**") for sale of electricity from the TSEG project. The net depreciated value of the asset as of September 30, 2023 is ₹ 183.00 million. As of September 30, 2023, the TSEG PPA had a remaining term of over 14 years 6 months. For further details of the TSEG PPA, please see the section entitled "*Our Business - Summary of Power Purchase Agreements*" on page 261.

Commissioning

The commercial operations date is March 26, 2013.

Land

The land on which the project is situated is held by TSEG on a freehold basis.

Financial Indebtedness

As of September 30, 2023, there was no debt outstanding to external lenders and the revenue from operations was ₹ 40.00 million. As of September 30, 2023, TSEG has availed ₹ 101.62 million from IndiGrid.

TSEN

TSEN and PSPCL entered into a power purchase agreement dated December 31, 2013 ("**TSEN PPA**") for sale of electricity from the TSEN project. The net depreciated value of the asset as of September 30, 2023 is ₹ 200.00 million. As of September 30, 2023, the TSEN PPA had a remaining term of over 16 years 6 months. For further details of the TSEN PPA, please see the section entitled "*Our Business - Summary of Power Purchase Agreements*" on page 261.

Commissioning

The commercial operations date is March 24, 2015.

Land

The land on which the project is situated is held by TSEN on a freehold basis.

Financial Indebtedness

As of September 30, 2023, there was no debt outstanding to external lenders and the revenue from operations was ₹ 30.00 million. As of September 30, 2023, TSEN has availed ₹ 334.74 million from IndiGrid.

TSEP

TSEP and SECI entered into a power purchase agreement ("**TSEP PPA**") dated April 25, 2014, as amended, for sale of electricity from the TSEP project. The net depreciated value of the asset as of September 30, 2023 is ₹ 820.00 million. As of September 30, 2023, the TSEP PPA had a remaining term of over 16 years 7 months. For further details of the TSEP PPA, please see the section entitled "*Our Business - Summary of Power Purchase Agreements*" on page 261.

Commissioning

The commercial operations date is: (a) for 10MW on June 1, 2015; and (b) for 10MW on June 12, 2015.

Land

The land on which the project is situated is held by TSEP on a leasehold basis and a freehold basis.

Financial Indebtedness

As of September 30, 2023, there was no debt outstanding to external lenders and the revenue from operations was ₹ 85.00 million. As of September 30, 2023, TSEP has availed ₹ 1,153.64 million from IndiGrid.

TSET

On October 15, 2010, NVVN and TSET entered into a power purchase agreement (the "**TSET PPA**"), as amended or supplemented, wherein NVVN agreed to procure 5 MW power from TSET at pre-determined tariff of ₹17.91 per unit, for the entire term of the agreement i.e. 25 years effective from the commencement of commercial operations of the project. The net depreciated value of the asset as of September 30, 2023 is ₹ 267.00 million. As of September 30, 2023, the TSET PPA had a remaining term of over 13 years 1 month. For further details of the TSET PPA, please see the section entitled "*Our Business - Summary of Power Purchase Agreements*" on page 261.

Commissioning

The commercial operations date is October 15, 2011.

Land

The land on which the project is situated is held by TSET on a leasehold basis.

Financial Indebtedness

As of September 30, 2023, there was no debt outstanding to external lenders and the revenue from operations was ₹ 82.00 million.

UMD

UMD and TANGEDCO executed (i) a power purchase agreement dated March 25, 2015 for sale/purchase of 12 MW (AC)/ 14.4 MW (DC) solar power from UMD Project 1 and (ii) a power purchase agreement dated May 20, 2015 for sale/purchase of 13 MW (AC)/ 15.6MW (DC) solar power from UMD Project 2 (collectively, "**UMD PPA**") wherein TANGEDCO agreed to procure 25 MW AC power from UMD at pre-determined tariff of ₹7.01 per unit, without accelerated depreciation benefits for the entire term of the agreement i.e. 25 years effective from the commencement of commercial operations for the respective projects. The net depreciated value of the asset as of September 30, 2023 is ₹ 975.00 million. As of September 30, 2023, the UMD PPA had a remaining term of over 17 years 4 months. For further details of the UMD PPA, please see the section entitled "*Our Business - Summary of Power Purchase Agreements*" on page 261.

Commissioning

The actual commercial operations date is November 16, 2015 and March 21, 2016 for UMD Project 1 and UMD Project 2, respectively.

Land

UMD owns part of the land and occupies part of the land on which the project is situated on a leasehold basis.

Financial Indebtedness

As of September 30, 2023, there was no debt outstanding to external lenders and the revenue from operations was ₹ 165.00 million. As of September 30, 2023, UMD has availed ₹ 1,250.90 million from IndiGrid.

USUPL

USUPL entered into two power purchase agreements, each dated January 25, 2012; (i) No. 119 for 10MW with NVVN for 10MW capacity as amended; and (ii) No. 120 for 10MW with NVVN for 10 MW capacity as amended, for sale of electricity from the projects. Further, UPPCL and USUPL entered into a power purchase agreement dated April 6, 2015, as amended, wherein UPPCL agreed to procure 30MW (AC)/37 MW(DC) electricity from USUPL at pre-determined tariff of ₹9.33 per unit (collectively, the "**USUPL PPA**"). The net depreciated value of the asset as of September 30, 2023 is ₹ 2,140.00 million. As of September 30, 2023, the USUPL PPA had a remaining term of over 17 years 12 months. For further details of the USUPL PPA and the Jodhpur Project PPAs, please see the section entitled "*Our Business - Summary of Power Purchase Agreements*" on page 261.

Commissioning

The commercial operations date for the USUPL Project is September 15, 2016 and for the Jodhpur Project is February 26, 2013.

Land

The land on which the USUPL Project is situated is held by USUPL on a leasehold basis and the land on which the Jodhpur Project is situated is held by USUPL on a freehold basis.

Financial Indebtedness

As of September 30, 2023, there was no debt outstanding to external lenders and the revenue from operations was ₹ 341.00 million. As of September 30, 2023, USUPL has availed ₹ 2,415.74 million from IndiGrid.

Summary of the Power Purchase Agreements

Term: The PPAs are typically valid for a period of 25 years from the commercial operations date of the relevant Solar Assets. The PPAs also provide for extension of the term, if such extension is mutually agreed upon by the parties to such PPAs.

Tariff and Billing: The PPAs typically prescribe a fixed tariff for the operational period of the Solar Assets. These agreements indicate the processes for billing and the procedure for payment of bills by the DISCOMs. The PPAs provide that the DISCOMs will be liable to pay a late payment surcharge on any amount due beyond the due date. Further, the PPAs also typically provide for rebates payable to the DISCOMs by the SPVs for the payments made.

Evacuation System and Metering: In accordance with the PPAs, the Solar Assets are responsible for the evacuation of power from the Solar Assets to certain interconnection points ("**Delivery Points**"), as set out in the Solar PPAs. All costs and losses up to that point will on the account of the Solar Assets. Further, the Solar Assets are required to bear all costs pertaining to installation, testing, calibration, maintenance, renewal and repair of meters on their side of the Delivery Points.

Letter of Credit: The DISCOMs are required to open unconditional, revolving and irrevocable letters of credit, through a scheduled bank, in favour of the Solar Assets. In the event the DISCOM fails to pay a bill within the due date, the Solar Assets may draw upon such letter of credit.

Minimum Guaranteed Offtake: In accordance with the PPAs, the Solar Assets are required to generate a minimum amount of energy from the relevant solar projects. In the event a Solar Asset is unable to generate such minimum offtake for any contract year, the Solar Asset may be required to pay a compensation or penalty amount to the relevant DISCOM.

Curtailment: In terms of the PPAs, the DISCOMs reserve the right to shut down the line during the occurrence of an emergency or such other events as prescribed in the PPAs. Accordingly, the DISCOMs have no obligation to evacuate power nor to pay any compensation during such period.

Events of Default and Termination: The PPAs contain standard events of default affecting the Solar Assets, including, amongst others, (i) repudiation of the PPA by the Solar Asset without rectification of such breach within a specified time period; (ii) assignment, mortgages or charges or purports to assign, mortgage or charge any assets or rights of the Solar Asset under the PPA in violation of its terms or the viability gap funding securitization agreement executed pursuant to the PPA; (iii) material breach of any obligations by the Solar Asset; (iv) change in controlling shareholding of the Solar Asset before the specified time frame under the PPA; (v) the failure to commence supply of power to the DISCOM up to the contracts capacity by the end of the specified period in the PPA; and (vi) if the Solar Asset becomes voluntarily or involuntarily the subject of any bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a specified period of time or any winding up or bankruptcy or insolvency order is passed against the Solar Asset or the Solar Asset goes into liquidation or dissolution or has a receiver or any similar officer appointed over all or substantially all of its assets or official liquidator is appointed to manage its affairs, except in specified circumstances. The DISCOMs may terminate the PPAs by issuing a notice of termination to the Solar SPVs in the event of occurrence of an event of default. The PPAs also provide that in case of a default by the Solar Asset, the lenders of such Solar Asset may exercise their rights, if any, under the financing arrangements, to seek substitution of the Solar Asset by a selectee for a residual period of the PPA for the purpose of securing the payments of the total debt amount from the Solar Asset and performing the obligations of the Solar Asset.

Force Majeure: The PPAs provide for standard force majeure events which include, amongst others, acts of god, epidemic, radioactive contamination or ionising radiation originating from a source in India, fire, explosion, acts of war, terrorist or military action (only if it is declared/notified by the competent state/central authority/agency), civil commotion, compulsory acquisition in national interest or expropriation of any Solar Asset or rights of the Solar Asset, and any other cause, accidents or circumstances beyond each control of the parties. However, the PPAs typically exclude the following events, amongst others, from the ambit of force majeure events: unavailability, late delivery or change in cost of plants and machinery, equipment, materials, spares parts or consumables, delay in performance of any contractor or sub-contractor or their agents, non-performance resulting from normal wear and tear typically experienced in power generation materials and equipment, strikes at the facilities of the affected party, insufficiency of finances or funds or the agreement becoming onerous to perform, and non-performance caused by or connected with the affected party's negligent or intentional acts, errors or omissions, failure to comply with an Indian law or breach of or default under the PPA. Either party may not undertake their obligations under the PPA if their ability to perform obligations under the PPA is affected by a force majeure event.

Operation and Maintenance

The operation and maintenance of the Portfolio Assets is the responsibility of the Project Manager, pursuant to its obligations under the Project Implementation and Management Agreement. The Project Manager is also subject to the oversight of the Power System Operation Corporation Limited and CERC, which are responsible for system operation and control, including inter-state and intra-state power management, inter-state and inter-regional transfer of power, covering contingency analysis and operational planning on a real-time basis as well as the operation of regional and state-level unscheduled interchange pool accounts and regional and state-level reactive energy accounts. Consequently, our operations and maintenance strategy focuses on deploying prudent grid management practices to achieve the following objectives:

- to achieve the targeted system availability specified in the TSAs;
- to optimize the life cycle cost of transmission lines and solar assets by preventive actions;
- to maximize excellence in quality, health, safety, security and environment; and
- to optimize operation and maintenance costs.

The Project Manager develops and tracks preventive maintenance plans and provides all personnel required to help ensure safe and reliable transmission systems and solar assets. By performing preventative and corrective maintenance on our assets, the Project Manager strives to minimize the need for reactive maintenance, which may adversely impact reliability and tends to be more costly than preventative maintenance. Preventive and corrective maintenance includes activities such as inspections, monitoring, servicing, vegetation management, fault restoration, repairs and patrols following failures, including by using advanced technologies. The transmission lines and substations of the majority of our Portfolio Assets have achieved at least 98% of annual cumulative target availability during the six-month period ended September 30, 2023 and the past three Fiscals. The Project Manager also emphasizes on-line techniques in order to minimize shutdown time for periodic maintenance checks and breakdown maintenance. Furthermore, to prepare for certain force majeure situations that cannot be predicted, the Project Manager partners with third party vendors to implement alternative transmission systems, such as emergency restoration systems, who in turn provide the skilled labor necessary to install and operate these emergency restoration systems.

Insurance

We have obtained insurance policies covering majority of our Portfolio Assets to cover risks including loss or damage from fire, flood, storm, terrorism, sabotage, machinery breakdown and any accidental and physical loss and destruction or damage to the insured property due to a cause, other than as excluded in the insurance policies. Certain of these insurance policies are subject to exclusions for certain circumstances including, among others, faulty or defective design materials or workmanship, wear and tear, larceny, acts of fraud or dishonesty, any wilful act or wilful negligence on the part of the insured or any person acting on its behalf, war, invasion, damage caused by nuclear weapons material or ionising radiation or contamination by radioactivity from any nuclear fuel or nuclear waste, loss or damage caused directly or indirectly from discharge of pollutants or contaminants, and certain properties, including, among others, money, cheques, bonds, credit cards, securities of any description and explosives. We have also obtained insurance policies covering a majority of the assets acquired from VRET in relation to plant insurance. The principal types of insurance coverage typically include industrial all risk and burglary.

Human Resources

The details of the employees of the Investment Manager by function, as of September 30, 2023 are set forth in the table below:

Function	As of September 30, 2023	
	Number of employees	% of total
Chief Executive Officer and Chief Financial Officer	2	17
Mergers and Acquisitions	3	25
Capital raise and Investor relations	1	8
Asset management and regulatory	1	8
Finance and compliance	2	17
Others	3	25
Total	12	100

Competition

As per the CRISIL Report, the construction companies and transmission equipment suppliers, pose as competitors to InvITs in the power transmission sector when it comes to competitive bidding for all interstate transmission lines. The transmission business is perceived as a low risk business as annual levelised tariffs are independent of demand-supply dynamics and fluctuation in electricity tariffs. Further due to better payment security mechanism and assurance of payment from central and state transmission utilities, this business model has attracted many new players.

Health, Safety and Environment

We are subject to extensive health, safety and environmental laws, regulations and government-prescribed operating procedures and environmental technical guidelines which govern our services, processes and operations. In compliance with these requirements, we maintain a health, safety and environment ("**HSE**") policy to address, among others, assessment of all occupational health related hazards and risks and ensure appropriate measures for elimination, reduction and control of these risks are in place. We are committed to ensuring the health and safety of their employees by providing and maintaining an accident-free and healthy workplace through implementation of HSE management systems in order to minimize health and safety hazards. Furthermore, the essential elements of our HSE program include, among others, (i) management commitment, (ii) policies and principles, (iii) integrated organization structure, (iv) risk management; (v) training and development, and (vi) performance evaluation through indicators. We believe that the Portfolio Assets are each in compliance in all material respects with Indian legislation in relation to environment laws and regulations and employee health and safety.

Properties

Pursuant to Section 164 of the Electricity Act, the Transmission Assets have been granted rights of way across land that our transmission lines pass through. We have leasehold rights for the land on which our substations for BDTCL are situated from the relevant state authorities for the duration of our transmission licenses. Additionally, we own parcels of land for BDTCL, JTCL, PTCL and MTL. We also have leasehold rights for the land on which our Solar Assets are situated. The registered office of the Investment Manager is located on leasehold land.

Intellectual Property

IndiGrid has registered the "IndiGrid" logo as a trademark under various classes such as Class 7, Class 9, Class 11, Class 32, Class 36, Class 40 and Class 42.

INFORMATION CONCERNING THE UNITS

Unitholding of IndiGrid as at September 30, 2023

Category	Category of Unitholders	Number of Units held	As a percentage of total outstanding Units (%)	Number of Units mandatorily held		Number of Units pledged	
				Number of Units	As a percentage of total Units held	Number of Units	As a percentage of total Units held
(A)	**Sponsor(s)/ Investment Manager/ Project Manager(s) and their associates/related parties, and the Sponsor Group**						
(1)	**Indian**	-	-	-	0.00	-	0.00
(a)	Individuals / HUF	-	-	-	0.00	-	0.00
(b)	Central/State Govt.	-	-	-	0.00	-	0.00
(c)	Financial Institutions/Banks	-	-	-	0.00	-	0.00
	Sub- Total (A) (1)	-	-	-	0.00	-	0.00
(2)	**Foreign**			-	0.00	-	0.00
(a)	Individuals (Non-Resident Indians / Foreign Individuals)	-	-	-	0.00	-	0.00
(b)	Foreign government	-	-	-	0.00	-	0.00
(c)	Institutions	-	-	-	0.00	-	0.00
(d)	Foreign Portfolio Investors (Esoteric II Pte Ltd)	165,901,932	22.70	30,150,000	18.17	-	0.00
	Sub- Total (A) (2)	**165,901,932**	**22.70**	30,150,000	18.17	-	0.00
	Total unit holding of Sponsor and Sponsor Group (A) = (A)(1)+(A)(2)	**165,901,932**	**22.70**	30,150,000	18.17	-	0.00
(B)	**Public Holding**						
(1)	**Institutions**						
(a)	Mutual Funds	930,912	0.13	-	0.00	-	0.00
(b)	Financial Institutions/Banks	539,477	0.07	-	0.00	-	0.00
(c)	Central/State Govt.	-	-	-	0.00	-	0.00
(d)	Venture Capital Funds	-	-	-	0.00	-	0.00
(e)	Insurance Companies	45,222,809	6.19	-	0.00	-	0.00
(f)	Provident/pension funds	1,892,124	0.26	-	0.00	-	0.00
(g)	Foreign Portfolio Investors	200,433,309	27.42	-	0.00	-	0.00
(h)	Foreign Venture Capital Investors	-	-	-	0.00	-	0.00
(i)	Other institutions (Alternative Investment Funds)	927,704	0.13	-	0.00	-	0.00
	Sub- Total (B) (1)	**249,946,335**	**34.19**	-	0.00	-	0.00
(2)	**Non-Institutions**						
(a)	Central Government/State Governments(s)/President of India	-	-	-	0.00	-	0.00
(b)	Individuals	173,880,057	23.79	-	0.00	-	0.00
(c)	NBFCs registered with RBI	955,533	0.13	-	0.00	-	0.00
(d)	Other Non-institutional			-	0.00	-	0.00
	(i) Trusts	2,774,418	0.38	-	0.00	-	0.00
	(ii) Non Resident Indians	8,565,577	1.17	-	0.00	-	0.00
	(iii) Clearing Members	30	0	-	0.00	-	0.00
	(iv) Bodies Corporates	128,956,094	17.64	-	0.00	-	0.00
	Sub- Total (B) (2)	**315,131,709**	**43.11**	-	0.00	-	0.00
	Total Public Unit holding (B) = (B)(1)+(B)(2)	**565,078,044**	**77.30**	-	0.00	-	0.00
	Total Units Outstanding (C) = (A) + (B)	**730,979,976**	**100.00**	-	0.00	-	0.00

Details of Unitholding pre and post-Issue

Particulars	Number of Units
Units issued and outstanding prior to this Issue	730,979,976
Units issued and outstanding after this Issue	[●]

Unitholders holding more than 5% of the Units of IndiGrid as at September 30, 2023

Sr. No.	Unitholder	Pre-Issue		Post-Issue	
		Number of Units	Percentage of holding (%)	Number of Units	Percentage of holding (%)
1.	Sponsor	165,901,932	22.70	[●]	[●]
2.	Government of Singapore	140,181,111	19.18	[●]	[●]

Unitholding of the Sponsor, Sponsor Group, Investment Manager, Project Manager and Trustee

For details of the Units held by the Sponsor and Sponsor Group, please see the sections entitled "*–Unit holding of IndiGrid as at September 30, 2023*" and "*–Unitholders holding more than 5% of the Units of IndiGrid as at September 30, 2023*" on pages 264 and 265, respectively.

The Trustee does not hold any Units and shall not acquire any Units in this Issue. The Investment Manager holds 552,825 Units for the benefit of its employees pursuant to the Long Term Incentive Plan 2023 and shall not acquire any Units in this Issue. For further details, please see the section entitled "*Parties to IndiGrid – Long Term Incentive Plan*" on page 143.

Unitholding of the directors and key personnel of the Investment Manager

As on the date of this Preliminary Placement Document, except as disclosed below, none of the directors or key personnel of the Investment Manager hold any Units in IndiGrid.

Sr. No.	Name of Director or Key Personnel	Number of Units
1.	Harsh Shah	61,108
2.	Navin Sharma	2,000
3.	Meghana Pandit	13,130
4.	Kundan Kishore	4,693
5.	Urmil Shah	2,000
6.	Satish Talmale	8,850

Further, certain relatives of Navin Sharma hold 3,000 Units as of the date of this Preliminary Placement Document.

None of the directors of the Investment Manager shall acquire any Units in this Issue.

Sponsor and Sponsor Group lock-in

As on the date of this Preliminary Placement Document, the Sponsor holds 22.70% Units of the outstanding Units, being 165,901,932 Units. In accordance with the exemption letter dated July 14, 2023 received from the SEBI in relation to the VRET Acquisition, the Sponsor is required to mandatorily hold an equivalent number of units of the Trust until September 30, 2024.

Additionally, in accordance with the InvIT Regulations, the Sponsor and the Sponsor Group are required to lock-in our Units as follows:

From the beginning of 4th year after the date of listing pursuant to the initial offer and till the end of 5th year from the date of listing pursuant to the initial offer	5% of total Units or ₹ 500 crores, whichever is lower*
From the beginning of 6th year after the date of listing pursuant to the initial offer and till the end of 10th year from the date of listing pursuant to the initial offer	3% of total Units or ₹ 500 crores, whichever is lower*
From the beginning of 11th year after the date of listing pursuant to the initial offer and till the end of 20th year from the date of listing pursuant to the initial offer	2% of total Units or ₹ 500 crores, whichever is lower*
After completion of the 20th year from the date of listing pursuant to the initial offer	1% of total Units or ₹ 500 crores, whichever is lower*

** Provided that the maximum value of Units to be held by the Sponsor and Sponsor Group for compliance with the above shall not exceed ₹500 crores or such other value as may be decided by SEBI from time to time wherein such valuation shall be based on the latest available net asset value of the Trust.*

The above lock-in requirements shall be applicable only to the additional Units issued by IndiGrid after the date of notification of the Securities and Exchange Board of India (Infrastructure Investment Trusts) (Second Amendment) Regulations, 2023, subject to compliance with the InvIT Regulations.

As on the date of this Preliminary Placement Document, the Sponsor has locked in approximately 4.12% of the Units of IndiGrid (30,150,000 Units).

USE OF PROCEEDS

The proceeds of this Issue are proposed to be up to ₹ [●] million* (the "**Issue Proceeds**") and the proceeds of this Issue net of the total expenses in relation to this Issue (the "**Net Proceeds**") are proposed to be ₹ [●] million.
** The size of the Issue shall be subject to finalisation of Allotment in the Issue*

Subject to compliance with applicable law, the Net Proceeds are proposed to be utilised, at the discretion of the Investment Manager and the Trustee, towards the following objects:

(i) Refinancing or repayment of borrowings availed by IndiGrid; and

(ii) General purposes.

The Investment Manager believes that above mentioned use of proceeds is consistent with IndiGrid's strategy of growth and expansion of its business and will also allow IndiGrid to meet its commitment towards distributions to Unitholders.

The details of the Issue Proceeds are provided in the following table:

(in ₹ million)

Particulars	Amount
Issue Proceeds*	[●]
Less: Estimated Issue expenses	[●]
Net Proceeds	[●]

** Assuming full subscription and Allotment of Units. The size of the Issue shall be subject to finalisation of Allotment in the Issue. This Issue was authorised, and approved by the board of directors of the Investment Manager on May 12, 2023 and by the Unitholders pursuant to resolutions dated June 6, 2023. The Unitholders in their resolution dated June 6, 2023, granted approval to raise further unit capital up to ₹ 15,000 million. The Trust undertook a preferential issue of Units on September 21, 2023 amounting to ₹ 4,035 million. Accordingly, the Issue Proceeds shall not exceed 10,965 million.*

Requirements of Funds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

(in ₹ million)

Sr. No.	Particulars	Amount
1.	Refinancing or repayment of borrowings availed by IndiGrid	[●]
2.	General purposes*	[●]

**To be updated in Placement Document*

The fund requirements mentioned above, and the proposed deployment are based on the estimates of the Investment Manager and have not been appraised by any bank, financial institution or any other external agency. The fund requirements may vary due to factors beyond the Investment Manager's control such as market conditions, competitive environment, interest rate and exchange rate fluctuations. In the event of any proposed variation in the utilization of the Net Proceeds, such variation shall be subject to (i) approval of the Unitholders, and (ii) compliance with applicable law.

Any unutilised funds, until such amounts are deployed towards the objects of this Issue, as detailed herein, shall be invested by IndiGrid in the manner permitted under the provisions of the InvIT Regulations.

Details of Utilization of Net Proceeds

The details in relation to the utilization of Net Proceeds provided below:

1. ***Refinancing or repayment of borrowings availed by IndiGrid***

   IndiGrid proposes to utilize a portion of the Net Proceeds to the extent of ₹ [●] million towards repayment of certain external debt availed by IndiGrid.

   IndiGrid proposes to repay the principal amount of any or all of the debt facilities set out below:

Sr. No.	Non-convertible Debt Securities/External Borrowings	Amount (in ₹ million)
		Principal Amount Outstanding as on September 30, 2023
Rupee Term Loan		
1.	Axis Bank Limited*	7,106.30
Non convertible Debt Securities		
2.	Series T & V	7,965.00
3.	Series H	4,000.00
	Total	**19,071.30**

**While Axis Bank Limited is a promoter of the Trustee, it is not an associate of the Trust in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. There is no conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations and current disclosure is being made to ensure disclosure of all transactions with promoter of the Trustee. The current disclosure is being made to ensure disclosure of all transactions with affiliate of the Trustee.*

The amount to be repaid by IndiGrid to the lenders shall vary based on (i) any change in the principal amount outstanding; (ii) discussions with the lenders; and (iii) other market conditions.

For further details in relation to the debt availed by IndiGrid, please see the section entitled "*Financial Indebtedness*" on page 270.

2. ***General purposes***

The Investment Manager shall, at its discretion, deploy the balance Net Proceeds aggregating to ₹ [●] million towards general purposes subject to such utilization not exceeding 10% of the Issue Proceeds for the operation of IndiGrid, subject to compliance with the InvIT Regulations. The general purposes for which IndiGrid proposes to utilize Net Proceeds include meeting exigencies and expenses incurred, by way of IndiGrid in the ordinary course of business as considered expedient, and as approved by the Investment Manager or the Trustee, as the case may be, subject to compliance with applicable law.

The Investment Manager will have flexibility in utilizing the proceeds earmarked for general purposes, in accordance with the investment objectives of IndiGrid, policies of the board of directors of the Investment Manager and the InvIT Regulations.

Issue expenses*

The total expenses of this Issue are estimated to be approximately ₹ [●], which will be borne solely by IndiGrid. The Issue expenses include fees and commissions payable to the Placement Agents, legal counsels, Escrow Collection Bank, Registrar to the Issue, other advisors to this Issue, printing and stationery expenses, and all other incidental and miscellaneous expenses in relation to this Issue and listing of the Units issued pursuant to this Issue on the Stock Exchanges.

We propose to pay an offer management fee to Axis Capital Limited ("Axis Capital**") from the net Proceeds. While Axis Capital is an affiliate of the Trustee, it is not an associate of the Trust in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. There is no conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations and current disclosure is being made to ensure disclosure of all transactions with affiliate of the Trustee. The current disclosure is being made to ensure disclosure of all transactions with affiliate of the Trustee.*

PLACEMENT

The Placement Agents have entered into a placement agreement dated December 5, 2023 with the Trustee (acting on behalf of, and in its capacity as the trustee of IndiGrid), Investment Manager (acting in its capacity as the investment manager of IndiGrid) and the Project Manager, pursuant to which the Placement Agents have agreed, subject to certain conditions, to procure subscribers for the Units in the Issue, on a reasonable efforts basis, pursuant to applicable provisions of the InvIT Regulations and Applicable Law.

The Placement Agreement contains customary representations and warranties, as well as indemnities from the Investment Manager, Project Manager and the Trustee, on behalf of IndiGrid, and it is subject to termination in accordance with the terms contained therein. This Preliminary Placement Document has not been, and will not be, registered as an offer document or a prospectus. The Investment Manager (acting on behalf of IndiGrid) will make applications to list the Units issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Units, the ability of Unitholders to sell their Units or the price at which holders of the Units will be able to sell their Units. The Placement Agents and their respective affiliates may engage in transactions with and perform services for IndiGrid, the Investment Manager, the Project Manager the Trustee, the Portfolio Assets, the Sponsor, the Sponsor Group and their respective affiliates in the ordinary course of business and may have engaged, or may in the future engage, in commercial banking and investment banking transactions with such entities, for which they may have received compensation and may in the future receive compensation.

Lock-up

Investment Manager and Trustee

The Investment Manager and Trustee (acting on behalf of IndiGrid), shall not, without the prior written consent of the Placement Agents, during the period commencing on the Closing Date and ending 90 days from the Closing Date (both dates inclusive), directly or indirectly: (i) issue, offer, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Units, or any securities convertible into or exercisable or exchangeable for the Units; (ii) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of the Units or any securities convertible into or exercisable or exchangeable for the Units; (iii) deposit Units or any securities convertible into or exercisable or exchangeable for Units or which carry the right to subscribe for or purchase Units or which carry the right to subscribe for or purchase Units in depository receipt facilities or enter into any such transactions (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of Units in any depository receipt facility, or (iv) publicly announce its intention to enter into the transactions referred to in (i) to (iii) above.

Sponsor

The Sponsor shall not, without the prior written consent of the Placement Agents, during the period commencing on the Closing Date and ending 60 days from the Closing Date (both dates inclusive), directly or indirectly: (i) offer, lend, sell, pledge, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Units, or any securities convertible into or exercisable or exchangeable for the Units; (ii) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of the Units or any securities convertible into or exercisable or exchangeable for the Units; (iii) deposit Units or any securities convertible into or exercisable or exchangeable for Units or which carry the right to subscribe for or purchase Units or which carry the right to subscribe for or purchase Units in depository receipt facilities or enter into any such transactions (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of Units in any depository receipt facility, or (iv) publicly announce its intention to enter into the transactions referred to in (i) to (iii) above.

FINANCIAL INDEBTEDNESS AND DEFERRED PAYMENTS

The details of indebtedness of IndiGrid (on consolidated basis) and the Portfolio Assets as at September 30, 2023 and the post-Issue principal amount outstanding, are provided below:

(in ₹ million)

Category of borrowing	Principal Amount outstanding as on September 30, 2023 (current and non-current borrowings) – consolidated basis	Post-Issue Principal Amount outstanding*
IndiGrid		
Particulars		
Non-convertible debentures	102,291.74	[●]
Indian rupee loan from banks	84,620.05	[●]
Total Secured Borrowings	186,911.79	[●]

**Post Issue principal amount outstanding represents principal amount outstanding as on September 30, 2023 reduced by partial repayment of the outstanding external debt of the Trust and may increase/ decrease in the event the external debt of the Trust is not partially repaid through the Net Proceeds as disclosed in the section entitled "Use of Proceeds" on page 267 or repaid in different proportion or on account of Ind AS adjustment. The Post Issue principal amount outstanding represents principal amount outstanding as on September 30, 2023 may be reduced by other prepayment opted for, or repayment required in accordance with the relevant financing documents.*

(in ₹ million)

Category of borrowing	Principal Amount outstanding as on September 30, 2023 (current and non-current borrowings) – standalone basis
IndiGrid	
Particulars	
Non-convertible debentures	102,207.43
Indian rupee loan from banks	84,620.05
Total Secured Borrowings	186,827.48

Leverage

In accordance with the InvIT Regulations, the Unitholders of IndiGrid, at the annual general meeting held on July 26, 2019, approved the increase in the aggregate consolidated borrowings and deferred payments of IndiGrid up to 70% of the aggregate of the Trust Assets, including but not limited to issuance of debentures, term loans, advances, deposits and bonds. IndiGrid or the Portfolio Assets may, from time to time, avail further borrowings or enter into re-financing arrangements and draw down funds thereunder, within the leverage limits as are approved by the Unitholders. For further details in relation to borrowings of the Portfolio Assets on a standalone basis, please refer to the section entitled "*Our Business – The Portfolio Assets*" on page 218. The borrowings of the Portfolio Assets are not proposed to be repaid through the proceeds of the Issue.

Principal terms of the borrowings availed by certain Portfolio Assets from the Trust

The principal terms of the transaction documents entered in relation to the loans between IndiGrid and certain Portfolio Assets are as follows:

1. *Tenor and Repayment*: The interest is of 15.0% per annum. The Portfolio Asset shall repay the principal amount of the Loan to the Trust or the Investment Manager, through a single bullet payment due and payable in accordance with the transaction documents.

2. *Covenants:* The transaction documents entered into by IndiGrid and certain Portfolio Assets, provide that the Portfolio Assets shall at all times:

    (i) comply with all the laws;
    (ii) pay all tax assessments, reassessments, government charges, levies, lawful claims and obligations;
    (iii) preserve and maintain its corporate existence and legal structure;
    (iv) permit the Trust or its agents or representatives to examine and make copies of the records, registers and books of accounts; and
    (v) keep proper books of records and accounts.

3. *Events of Default:* The transaction documents entered into by the Portfolio Assets provide certain events of default, including:

    (i) failed to pay any amount under the agreement;

(ii) defaulted under the financing facilities availed by the Trust from its lenders under the relevant financing agreements with such lenders, provided that the Portfolio Asset is not in default under any other financing facilities, if any, availed by the Portfolio Assets from any other banks/financial institutions.

4. *Consequences of Events of Default:* The transaction documents provide certain consequences of events of default, including:

(i) recall the whole or part of the principal amount along with any accrued interest; and
(ii) declare the entire amount outstanding to be payable.

This is an indicative list of the terms of transaction documents in relation to the loan between IndiGrid and certain Portfolio Assets and there may be additional terms, conditions and requirements under such transaction documents.

Principal terms of the borrowings availed by us

The principal terms of the loan agreements entered into by us are as follows:

1. *Security:* Loans under the loan agreements are secured by, amongst others, (i) first ranking pari passu charge over all present and future assets; and (ii) first charge, including by way of hypothecation, over all accounts, both present and future, that may be opened in accordance with the loan documents; (v) assignment by way of security or charge by way of hypothecation, over all right, title, interest, claims, benefits and demands relating to, (a) the agreements in relation to the Project (the "**Project Agreements**"); (b) clearances obtained pertaining to the project; (c) any letter of credit, guarantee, including contractor guarantees, liquidated damages, consent agreements, side letters or performance bond provided by any party to the Project Agreements; and (d) insurance contracts and insurance proceeds pertaining to the project; and (vi) pledge of the equity share capital of certain of the Portfolio Assets, in terms of the financing agreements.

2. *Pre-payment:* We may prepay the outstanding amount of its loans, in full or in part, any time on the terms and conditions agreed with the lender after paying the prepayment premium. All prepayments shall be made together with the interest, charges and other monies due and payable to the lenders up to the date of such prepayment.

3. *Restrictive Covenants:* Borrowing arrangements entered into by the Portfolio Assets contain standard restrictive covenants, including:

(i) amendment to the constitutional documents of the borrower only with the prior approval of the lenders under the financing agreements;

(ii) formulation of any scheme of amalgamation or reconstruction only with the prior approval of the lenders under the financing agreements; and

(iii) further indebtedness to not be availed during the tenor of the facilities other than as permitted under the relevant borrowing arrangements.

4. *Events of Default:* The borrowing arrangements entered into by the Portfolio Assets contain standard events of default, including:

(i) default in payment of principal amount or interest along with additional interest if applicable or any other amount payable;

(ii) abandonment of Portfolio Assets by IndiGrid and/or the projects by the Portfolio Assets having a material adverse effect;

(iii) revocation of material clearances;

(iv) default in performance of material conditions and covenants;

(v) business of the Portfolio Assets becomes unlawful; and

(vi) invalidity of the financing agreements.

5. *Consequences of default*: In terms of the borrowing arrangements entered into by us, the following, amongst others, are the consequences of default:

(i) cancellation or suspension of the lenders' obligation to lend;

(ii) acceleration of repayment obligations and declaration of amounts outstanding to be forthwith due and payable;

(iii) enforcement of security interests; and

(iv) exercise of other remedies as permitted or available under the borrowing arrangements.

This is an indicative list of the terms of the borrowings availed by us and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us.

Given the nature of these borrowings and the terms of prepayment, the aggregate outstanding borrowing amounts may vary from time to time. In addition to the above, each of the Portfolio Assets may, from time to time, enter into re-financing arrangements and draw down funds thereunder, prior to the filing of the Placement Document.

Principal terms of the non-convertible debentures issued by IndiGrid

IndiGrid has, on a private placement basis, issued:

(i) 2,500 secured, listed, rated, redeemable non-convertible debt securities of face value of ₹ 1 million each with an initial coupon of 7.72% per annum aggregating to ₹ 2,500 million ("**Series A**");
(ii) 4,350 secured, listed, rated, redeemable, non-convertible debt securities of face value of ₹ 1 million each with an initial coupon of 7.11% per quarter per annum aggregating to ₹ 4,350 million ("**Series B**");
(iii) 3,000 secured, listed, rated, redeemable, non-convertible debt securities of face value of ₹ 1 million each with an initial coupon of 9.10% per annum aggregating up to ₹ 3,000 million ("**Series D**");
(iv) 4,000 rated, secured, listed, rated, redeemable non-convertible debt securities of face value of ₹ 1 million each with an initial coupon of 8.50% per annum aggregating to ₹ 4,000 million ("**Series H**");
(v) 2,500 rated, secured, listed, rated, redeemable non-convertible debt securities of face value of ₹ 1 million each with an initial coupon of 7.00% per annum aggregating to ₹ 2,500 million ("**Series I**");
(vi) 1,500 rated, listed, secured, redeemable, non-convertible debt securities of face value of ₹ 1 million each with an initial coupon of 7.25% per annum aggregating up to ₹ 1,500 million and 1,000 rated, listed, secured, redeemable, non-convertible debt securities of face value of ₹ 1 million each with an initial coupon of 7.40% per annum aggregating up to ₹ 1,000 million ("**Series J and K**");
(vii) 4,000 rated, secured, listed, rated, redeemable non-convertible debt securities of face value of ₹ 1 million each with an initial coupon of 7.32% per annum aggregating to ₹ 4,000 million ("**Series L**");
(viii) 8,500 rated, secured, listed, rated, redeemable non-convertible debt securities of face value of ₹ 1 million each with an initial coupon of 6.72% per annum aggregating to ₹ 8,500 million ("**Series M**");
(ix) 4,000 rated, secured, listed, rated, redeemable non-convertible debt securities of face value of ₹ 1 million each with an initial coupon of 6.52% per annum aggregating to ₹ 4,000 million ("**Series N**");
(x) 2,500 rated, secured, listed, rated, redeemable non-convertible debt securities of face value of ₹ 1 million each with an initial coupon of 7.53% per annum aggregating to ₹ 2,500 million ("**Series O**");
(xi) 50,000 rated, secured, listed, rated, redeemable non-convertible debt securities of face value of ₹ 0.1 million each with an initial coupon of 7.85% per annum aggregating to ₹ 5,000 million ("**Series P**");
(xii) 50,000 rated, secured, listed, rated, redeemable non-convertible debt securities of face value of ₹ 0.1 million each with an initial coupon of 7.92% per annum aggregating to ₹ 5,000 million ("**Series Q**");
(xiii) 1,14,000 rated, secured, listed, rated, redeemable non-convertible debt securities of face value of ₹ 0.1 million each with an initial coupon of 7.70% per annum aggregating to ₹ 11,400 million ("**Series R**");
(xiv) 1,60,000 fully paid- up, senior, secured, listed, rated, redeemable, non-convertible debt securities or debentures having a face value of ₹ 0.1 million each with an initial coupon of 7.35% per annum aggregating up to ₹ 16,000 million and 5,000 fully paid-up, senior, secured, listed, rated, redeemable, non-convertible debt securities or debentures having a face value of ₹ 0.1 million each with an initial coupon of 7.35% per annum aggregating up to ₹ 500 million ("**Series S**");
(xv) 1,11,000 fully paid-up, senior, secured, listed rated, redeemable, non-convertible debt securities or debentures having a face value of ₹ 0.1 million each with an initial coupon of 7.50% per annum aggregating up to ₹ 11,100 million ("**Series T**");
(xvi) 50,000 fully paid-up, senior, secured, listed, rated, redeemable, non-convertible debt securities or debentures having a face value of ₹ 0.1 million each with an initial coupon of 7.84% per annum aggregating up to ₹ 5,000 million ("**Series U**"); and
(xvii) 9,000 fully paid-up, senior, secured, listed, rated, redeemable, non-convertible debt securities or debentures having a face value of ₹ 0.1 million each with an initial coupon of 7.50% per annum aggregating up to ₹ 900 million ("**Series V**").

Further, IndiGrid has, on a public issue basis, issued rated, listed, secured, redeemable, non-convertible debt securities of face value of ₹ 1,000 each for an amount aggregating up to ₹ 10,000 million at interest rates ranging from 6.75% to 8.20%.

(collectively, the "**IndiGrid Debentures**").

The principal terms of the transaction documents entered into by IndiGrid in relation to the IndiGrid Debentures are as follows:

5. *Security:* The IndiGrid Debentures are secured by, amongst others, (i) a first pari passu charge on entire current assets of IndiGrid; and (ii) a first pari passu charge on IndiGrid escrow account and all its sub-accounts including cash trap account/distribution account etc. and (iii) first and *pari passu* charge by way of hypothecation on (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to the HoldCo and to the SPVs and all its subsidiaries and associate companies (direct or indirect), present and future (collectively, the "**Issuer Loans**"), (b) the right, title and interest and benefits of the Issuer in, to and under all the financing agreements, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans, (c) all accounts of the Issuer, including but not limited to the escrow accounts but excluding the Excluded Accounts; and (d) all receivables. The security as stipulated, shall be created within a specified period from the deemed date of allotment and perfected within a specified period from the date of its creation. Additionally, the IndiGrid Debentures are secured through pledge of part of the equity share capital of, amongst other, JTCL, RTCL, PKTCL, MTL, PTCL, NTL subject to, and in the manner stipulated in the transaction documents;

6. *Tenor and Repayment*: The IndiGrid Debentures have a tenor of up to 18 years from the deemed date of allotment, and the repayment of the relevant debenture series would be done as per the relevant repayment schedule.

7. *Restrictive Covenants:* The transaction documents entered into by IndiGrid, provide that IndiGrid shall not affect any of the following, without the prior written permission of the debenture trustees:

    (vi) change the general nature of its business as per the applicable law;

    (vii) change the Amended and Restated Trust Deed or other constitutional documents in any material way which would prejudicially affect the interests of the debenture holders;

    (viii) undertake or permit any consolidation, re-organization, corporate restructuring, capital reduction, or compromise with its creditors or unitholders, except in case of procurement/purchase of additional assets and subject to:

        (a) the credit rating of IndiGrid/ Debenture is AAA from all the rating agencies;

        (b) as long as overall debt is as per prevailing guidelines; and

        (c) prior written intimation of 60 days is provided to the debenture trustee;

    (ix) any additional indebtedness exceeding the thresholds prescribed in the transaction documents without the approval of debenture holders;

    (x) change in control of any of the Portfolio Assets;

    (xi) wind-up, liquidate or dissolve its affairs or take any actions towards the same; and

    (xii) such other customary covenants for transaction of similar nature.

8. *Events of Default:* The transaction documents entered into by IndiGrid provide certain events of default, including:

    (iii) non-payment of interest or principal amount or any other amount due and payable in relation to the IndiGrid Debentures in terms of the transaction documents on the due date;

    (iv) misleading representations and warranties;

    (v) commencement of voluntary insolvency, bankruptcy, winding up or other similar proceedings, including under the InvIT Regulations, by IndiGrid, the Sponsor or the Unitholders; and

    (vi) cessation of business;

    (vii) non-creation or perfection of the security within the timelines stipulated under the transaction documents or security becoming invalid, in jeopardy, invalid or not having the ranking under the transaction documents, as stipulated;

(viii) material adverse effect;

(ix) delisting of the Units or the IndiGrid Debentures; and

(x) default under any term of the relevant financing agreement or any other financing agreement entered into by the Portfolio Assets leading to a material adverse effect.

9. *Consequences of Events of Default:* The transaction documents entered into by IndiGrid provide certain consequences of events of default, including:

(iii) applying all cash proceeds arising in the escrow account towards repayment of IndiGrid's obligations to the debenture holders;

(iv) enforcement of security and any rights available under transaction documents;

(v) applying the amounts standing to the credit of the escrow account and the permitted investments towards payment of dues under the IndiGrid Debentures;

(vi) exercise all or any rights or remedies of IndiGrid under one or more project documents against any parties to such project documents; and

(vii) exercise such other remedies as permitted or available under applicable law including any circulars issued by RBI or SEBI.

This is an indicative list of the terms of transaction documents in relation to the IndiGrid Debentures and there may be additional terms, conditions and requirements under such transaction documents.

Status of lender consents

IndiGrid has received all lender consents in relation to this Issue.

DISTRIBUTION

Statements contained in this section entitled "Distribution" that are not historical facts are forward-looking statements. Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those that may be projected. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty, undertaking or prediction with respect to the accuracy of the underlying assumptions by IndiGrid, the Trustee, the Sponsor, the Investment Manager, the Placement Agents or any other person. Bidders are cautioned not to place undue reliance on these forward-looking statements that are stated only as at the date of this Preliminary Placement Document. For details in relation to forward-looking statements, please see the section entitled "Forward-Looking Statements" on page 21.

The net distributable cash flows of IndiGrid (the "**Net Distributable Cash Flows**") are based on the cash flows generated from the underlying operations undertaken by the InvIT Assets, in this case being the Portfolio Assets. For details of the business and operations presently undertaken by the InvIT Assets, please see the section entitled "*Our Business*" on page 211. Presently, cash flows receivable by IndiGrid may be in the form of dividend or interest income received from the InvIT Assets in relation to debt sanctioned by IndiGrid.

In terms of the InvIT Regulations, not less than 90% of the net distributable cash flows of each of the InvIT Assets shall be distributed to IndiGrid or IGL, IGL1 or IGL2, as applicable, subject to applicable provisions in the Companies Act, 2013 and not less than 90% of the net distributable cash flows of IndiGrid shall be distributed to the Unitholders. Further, with respect to the cash flows received by IGL, IGL1 or IGL2 from the InvIT Assets, 100% of such cash flows shall be distributed to IndiGrid. Further, with respect to cash flows generated by IGL, IGL1 or IGL2 on its own, not less than 90% of such net distributable cash flows shall be distributed by IGL, IGL1 or IGL2 to IndiGrid.

Pursuant to the InvIT Regulations and the Distribution Policy, IndiGrid shall declare and distribute at least 90% of the Distributable Income to the Unitholders, at least once in every quarter in every Fiscal. However, if any infrastructure asset is sold by IndiGrid or IGL, IGL or IGL2 or any of the InvIT Assets, or if the equity shares or interest in IGL, IGL1 or IGL2 or any of the InvIT Assets are sold by IndiGrid, and IndiGrid proposes to re-invest the sale proceeds into another infrastructure asset within one year, it shall not be required to distribute such sale proceeds to IndiGrid or to the Unitholders. Further, if IndiGrid proposes not to invest such sale proceeds into any other infrastructure asset within one year, it shall be required to distribute the same in the manner specified above. In accordance with the InvIT Regulations, distributions by IndiGrid shall be made no later than 15 days from the date of such declarations. The distribution, when made, shall be made in Indian Rupees. Any amount remaining unclaimed or unpaid out of the distributions declared by the Trust shall be transferred to the 'Investor Protection and Education Fund' constituted by the SEBI, in such manner as specified by the SEBI and such amounts shall be dealt with in the manner specified by the SEBI. For details on the risks relating to distribution, please see the section entitled "*Risk Factors*" on page 87.

Distribution Policy

Method of calculation of Net Distributable Cash Flow

The Net Distributable Cash Flow of IndiGrid shall be calculated in accordance with the InvIT Regulations and any circular, notification or guidance issued thereunder. Presently, IndiGrid proposes to calculate net distributable cash flow in the manner provided below:

I. Calculation of net distributable cash flows at each InvIT Asset level:

Description
Profit after tax as per profit and loss account (standalone) (A)
Add: Depreciation, impairment and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss.
Add/Less: Decrease/(increase) in working capital as per IndAS 7
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or IGL
Add/less: Loss/gain on sale of infrastructure assets
Add: Proceeds from sale of infrastructure assets adjusted for the following: • related debts settled or due to be settled from sale proceeds; • directly attributable transaction costs; • directly attributable transaction costs proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account
Less: Capital expenditure, if any
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to

Description
• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value; • interest cost as per effective interest rate method (difference between accrued and actual paid); • deferred tax; • unwinding of Interest cost on interest free loan or other debentures; • portion reserved for major maintenance which has not been accounted for in profit and loss statement; • reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements
Total Adjustments (B)
Net Distributable Cash Flows (C)=(A+B)

II. Calculation of net distributable cash flows at the consolidated IndiGrid level:

Description
Cash flows received from the Portfolio Assets in the form of interest
Cash flows received from the Portfolio Assets in the form of dividend
Any other income accruing at IndiGrid level and not captured above, including but not limited to interest/return on surplus cash invested by IndiGrid
Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by IndiGrid
Proceeds from the Portfolio Assets for a capital reduction by way of a buy back etc., subject to applicable law
Proceeds from sale of assets of the Portfolio Asset not distributed pursuant to an earlier plan to re-invest, or if such proceeds are not intended to be invested subsequently
Total cash inflow at the IndiGrid level (A)
Less: Any payment of fees, interest and expense incurred at IndiGrid level, including but not limited to the fees of the Investment Manager and Trustee
Less: Costs/retention associated with sale of assets of the Portfolio Assets: • relate debts settled or due to be settled from sale proceeds of Portfolio Assets; • transaction costs paid on sale of the assets of the Portfolio Assets; • capital gains taxes on sale of assets/ shares in Portfolio Assets/ other investments.
Less: Proceeds reinvested or planned to be reinvested in accordance with Regulation 18 (7) (a) of the InvIT Regulations
Less: Repayment of external debt at the IndiGrid level and at the level of any of the underlying portfolio assets/special purpose vehicles (Excluding refinancing)
Less: Income tax (if applicable) at the standalone IndiGrid level
Less: Amount invested in any of the Portfolio Assets for service of debt or interest
Less: Repair work in any of the Portfolio Assets
Total cash outflows / retention at IndiGrid level (B)
Net Distributable Cash Flows (C) = (A+B)

In terms of the InvIT Regulations, if the distribution is not made within 15 days from the date of declaration, the Investment Manager shall be liable to pay interest to the Unitholders at the rate of 15% per annum or such other rate as may be specified under applicable law, until the distribution is made. Such interest shall not be recovered by the Investment Manager in the form of fee or any other form payable to the Investment Manager by IndiGrid.

Distributions by IndiGrid

The details of distribution declared by IndiGrid are provided below:

Sr. No.	Record Date	Number of Units (in million)	Distribution per Unit (in ₹)	Amount of Distribution paid on Units including tax on distribution (in ₹ million)
1.	November 9, 2023	730.98	3.55	2,594.98
2.	August 3, 2023	700.18	3.45	2,415.62
3.	May 18, 2023	700.18	3.45	2,415.62
4.	January 31, 2023	700.18	3.30	2,310.59
5.	November 16, 2022	700.18	3.30	2,310.59
6.	August 1, 2022	700.18	3.30	2,310.59
7.	May 26, 2022	700.18	3.19	2,231.82
8.	February 2, 2022	700.18	3.19	2,231.82
9.	November 2, 2021	700.18	3.19	2,231.82
10.	August 5, 2021	700.18	3.19	2,231.82
11.	June 2, 2021	700.18	3.10	2,170.55
12.	January 28, 2021	583.48	3.10	1,808.80

Sr. No.	Record Date	Number of Units (in million)	Distribution per Unit (in ₹)	Amount of Distribution paid on Units including tax on distribution (in ₹ million)
13.	November 10, 2020	583.48	3.00	1,750.44
14.	August 12, 2020	583.48	3.00	1,750.44
15.	June 2, 2020	583.48	3.00	1,750.44
16.	January 28, 2020	583.48	3.00	1,750.44
17.	October 31, 2019	583.48	3.00	1,750.44
18.	August 5, 2019	583.48	3.00	1,750.44
19.	April 30, 2019	283.80	3.00	851.40
20.	January 22, 2019	283.80	3.00	851.40
21.	October 26, 2018	283.80	3.00	851.40
22.	August 2, 2018	283.80	3.00	851.40
23.	May 2, 2018	283.80	3.00	851.40
24.	January 23, 2018	283.80	2.89	820.74
25.	November 7, 2017	283.80	2.75	781.58
26.	August 4, 2017(1)	270.20	0.92	248.58

(1) *Please note that the acquisition of BDTCL and JTCL was completed in June, 2017 and accordingly, IndiGrid made distributions for the period beginning from May 30, 2017 until March 31, 2018*.

MANAGEMENT'S DISCUSSION AND ANALYSIS BY THE DIRECTORS OF THE INVESTMENT MANAGER OF FACTORS AFFECTING THE FINANCIAL CONDITION, RESULTS OF OPERATIONS AND CASH FLOWS

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with the section entitled "Financial Statements" enclosed at Annexure B. This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 87. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, please see the section entitled "Forward-Looking Statements" on page 21.

The Consolidated Financial Statements have been presented for the Financial Years 2023, 2022 and 2021 and for the half year ended September 30, 2023. Unless context requires otherwise, information given for the Financial Years 2023, 2022 and 2021 have been derived from the audited financial statements for these fiscals prepared in accordance with Ind AS and InvIT regulations. Information given for the half year ended September 30, 2023 is derived from unaudited interim condensed consolidated financial statements for half year ended September 30, 2023 prepared in accordance with Ind AS 34 and InvIT Regulations and information for the half year ended September 30, 2022 is derived from comparative amounts presented in unaudited interim condensed consolidated financial statements for half year ended September 30, 2023. For details, please see the section entitled "Risk Factors - The audited Consolidated Financial Statements and Standalone Financial Statements of IndiGrid presented in this Preliminary Placement Document may not be indicative of our future financial condition, results of operations and cash flows" and "Risk Factors - The unaudited consolidated and standalone interim condensed financial statements prepared in accordance with IndAS 34 and InvIT Regulations of IndiGrid present in this Preliminary Placement Document may not be indicative of our financial condition, results of operations and cash flows" on page 104. Unless stated otherwise or the context otherwise requires, industry and market data used in this section has been obtained or derived from the CRISIL Report, publicly available information as well as industry publications and sources, including from various government publications and websites.

Overview

We are India's first listed power sector infrastructure investment trust, sponsored by the Sponsor, being Esoteric II Pte. Ltd., a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR, IndiGrid was established on October 21, 2016 and is registered with SEBI pursuant to the InvIT Regulations. IndiGrid was established to own and operate power transmission and renewable energy assets in India. We own 33 operating projects, consisting of 17 transmission projects and 16 solar projects. The transmission projects consist of 46 EHV overhead power transmission lines, comprising 132 kV transmission lines, 400 kV transmission lines and 765 kV transmission lines, with a total circuit length of approximately 8,468 ckms and 13 substations with approximately 17,550 MVA of transformation capacity, across 19 states and 1 union territory in India. IndiGrid has assets under management worth of approximately ₹ 2,69,000 million as on September 30, 2023. IndiGrid Investment Managers Limited, is the investment manager of the InvIT and is majority owned by Electron IM Pte. Ltd., an affiliate of KKR. We have consistently been given a corporate credit rating of 'CRISIL AAA/Stable' by CRISIL, 'IND AAA'/Stable by India Ratings and 'ICRA AAA (Stable)' by ICRA.

We are focused on providing stable and sustainable distributions to our Unitholders. We believe that we are well positioned to take advantage of the growth potential of India's power industry given the quality of our power transmission assets and our financial position, support from our Sponsor and the robust regulatory framework for power transmission and solar projects in India. We believe the infrastructure necessary to transmit and deliver electricity is vital to India's continued economic advancement, given the inter-regional power deficit in India resulting from a mismatch between power generation and load centers and the demand-supply deficit which is expected to result from India's projected GDP growth.

Our continued focus and strategy will be on accretive acquisition of power transmission and solar projects with annuity profile in their respective TSAs and long terms PPAs yielding stable cash flows, operational track record, good quality equipment and financially strong and creditworthy counterparties. For further details, please see the section entitled "*Industry Overview*" on page 169.

We own 33 fully commissioned projects: (i) BDTCL, JTCL, PKTCL, RTCL, MTL, NTL, OGPTL and ENICL, that we acquired from SPTL in May 2017, May 2017, February 2018, February 2018, February 2018, June 2019, July 2019, May 2020, respectively and GPTL that we acquired from SGL4 in August 2020; (ii) PTCL, that we acquired from TEECL and TPGCL in August 2018; (iii) JKTPL that we acquired from KPTL and TEECL in October 2020; (iv) PrKTCL that we acquired from Reliance Infrastructure Limited in January 2021; (v) NER, which was acquired from SGL4 in March 2021, (vi) Kallam which was acquired from REC Power Development and Consultancy Limited in December 2021, (vii) IGL Solar I and IGL Solar II, which were acquired from FRV Solar Holdings XI B.V in December 2020, (viii) RSTCPL which we acquired from Patel Engineering Limited, Simplex Infrastructures Limited and BS Limited in July 2022, (ix) KTL, which we acquired from SPTL in March, 2023; and (x) GGEPL, UMD, USUPL, GSPPL, PLG, Solar Edge, TKSPL, TSEG, TNSPEPL, TRSPL, TSEC, TSEN, TSET, TSEP and TSESPL which were acquired through the acquisition of VRET on August 25, 2023 (together the "**Portfolio**

Assets"). IndiGrid indirectly holds 100% of equity shares of the Virescent IM (which is a deemed public company, being a subsidiary of IndiGrid Limited) and the Virescent PM (which is a deemed public company, being a subsidiary of IndiGrid Limited).

Esoteric II Pte. Ltd. is the sponsor of IndiGrid. Esoteric II was incorporated under the laws of Singapore as a private company limited by shares. Esoteric, by way of its letter dated September 8, 2020, to the Investment Manager, proposed to seek induction as a 'sponsor' of IndiGrid, in accordance with Regulation 22(7) of the InvIT Regulations. Subsequently, the unitholders of IndiGrid approved the induction of Esoteric as a 'sponsor' of IndiGrid pursuant to the annual general meeting of IndiGrid held on September 28, 2020. Esoteric is a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR. Founded in 1976, KKR is a leading global investment firm, with approximately US$528 billion of assets under management as of September 30, 2023, that offers alternative asset management as well as capital markets and insurance solutions. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people and supporting growth in its portfolio companies and communities. Esoteric II Pte. Ltd. currently owns a stake of around 22.7% in IndiGrid. Separately, Electron IM Pte. Ltd., an affiliate of KKR, currently owns 100% of the issued, paid-up and subscribed capital of the Investment Manager.

IndiGrid acquired 100% of the issued and outstanding units of VRET, from Terra Asia Holdings II Pte. Ltd. (the erstwhile sponsor of VRET and a company affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR) and other unitholders of VRET. For further details, please see the sections entitled "Description of Portfolio Assets – Acquisition of the VRET Assets" on page 33. While infrastructure investment trusts are required to distribute at least 90% of their net distributable cash flows to unitholders once at least every six months in every financial year, according to the InvIT Regulations, we have adopted a quarterly distribution policy. For further details on our distribution policy, please see the section entitled "*Distribution*" on page 275. We believe our assets, financial position and business model will enable us to offer stable distributions to our Unitholders.

Following the utilization of the Issue Proceeds, our aggregate consolidated borrowings and deferred payments (net of cash and cash equivalents) will not exceed 70% of the total value of our assets. Our consolidated total income was ₹ 24,142.88 million in fiscal 2023. EBITDA on a consolidated basis was ₹ 21,113.19 million in fiscal 2023. Our consolidated total income was ₹ 13,747.24 million in half year ended September 30, 2023. EBITDA on a consolidated basis was ₹ 11,251.95 million in half year ended September 30, 2023.

On the basis of our strengths and through the implementation of our strategies, we believe that we are well-positioned to capitalize on the growth potential of India's power transmission and renewable energy industry.

Factors Affecting Our Results of Operation

Tariff structure and system availability

Electricity transmission tariffs comprise a majority of our revenue from contracts with customers. Most of the Transmission Assets, were originally awarded under the TBCB mechanism on a BOOM basis. Under the TBCB mechanism, technically qualified developers bid for an inter-state power transmission project on a build-own-operate-and-maintain, or BOOM, basis, which is awarded to the developer quoting the lowest levelised tariff. Subsidiaries of SPTL and TEECL and TPGCL, as applicable, successfully bid, for and were awarded, the Transmission Assets at the bid transmission tariff rates.

The tariff for the Transmission Assets is contracted for the period of the relevant TSA, which in most of the cases is up to 35 years from the scheduled commercial operation date, other than ENICL and JKTPL, which is for 25 years. The tariff rates are comprised of a fixed non-escalable charge, a variable escalable charge, and incentives for maintaining performance above targeted availability.

- *Non-escalable charges and escalable charges:* For Transmission Assets (other than JKTPL and PrKTCL) which are awarded under the TBCB mechanism, non-escalable charges are fixed charges, detailed in the relevant TSA and tariff order and paid to us as part of the transmission charges. These charges are billed on monthly basis by the CTU. Escalable charges are variable charges which are only fixed in the relevant TSA and tariff order for first year of scheduled operations and vary in subsequent years according to CERC's escalation index, which is determined by CERC semi-annually from a formula linked to the inflation rate in India. Any change in the inflation rate in India will directly impact the escalable charges paid to us and our revenue from operations.

- *Availability determined incentive payments and penalties:* For most of our Transmission Assets, we operate our power transmission projects under an availability-based tariff regime, which incentivizes transmission system operators like us to provide the highest possible system reliability. System reliability is measured as “availability”, which is defined as the time in hours during a given period for which the transmission system is capable of transmitting electricity at its rated voltage, expressed as a percentage of total hours in the period. The CERC Tariff Regulations provide specific methodology on the calculation of availability, and take into account the elements in the transmission system (including transmission lines, transformers and substations) as well as the reason for any outages, with force majeure outages being excluded from the calculation. We are required to maintain system availability of at least 98% for our systems in order to receive 100% of the transmission charge (comprised of both escalable and non-escalable charges). We receive incentive payments under the TSAs of the Transmission Assets (other than JKTPL and PrKTCL) if our availability exceeds 98%. If our annual average cumulative rate for a power transmission project falls below 95%, we may be subject to penalties under the TSA, subject to force majeure. In the event we fail to maintain our target availability of 98% for six consecutive months or for a non-consecutive period of six months within any continuous aggregate period of 18 months or as may be specified, except where the availability is affected by force majeure events, the LTTCs may exercise their right of termination under the TSA. In case of JKTPL and PrKTCL, we are subject to an incentive based penalty mechanism and may be subject to penalties if the availability rate falls below the limits as may be prescribed under the TSA for JKTPL and as per the provisions of Tariff Regulations issued by CERC from time to time for PrKTCL respectively.

Historically, we have maintained annual cumulative system availability above 98%, and, accordingly, we have earned incentives for the Transmission Assets and have never been subject to penalties. Our availability is affected by our ability to maintain our power transmission projects and restore them in the event they are rendered inoperable. Our ability to maintain target availability under the TSA for our Transmission Assets (other than PrKTCL, for which target availability is required to be maintained in accordance with the CERC Tariff Regulations) directly impacts our revenues.

- *Finance & O&M income:* In relation to JKTPL (which is awarded on a DBFOT basis and is treated as a service concession receivable), revenue from operation comprises finance income recognised basis effective interest rate method. Revenue from operations and maintenance services are separately recognised in each period as and when service is rendered. JKTPL receives tariff from HVPNL on a monthly basis as per unitary charges specified under the JKTPL TSA, adjusted for year-on-year WPI increase and increased for incentive (net of rebate) for availability over 98% on a proportionate basis. Service concession receivable is amortised using effective interest rate method basis the actual tariff received for the entire concession life of the project.

- *Late payment Surcharge:* For Transmission Assets (other than JKTPL), in accordance with the Sharing of Charges and Losses Regulations, a transmission licensee such as us is entitled to recover its approved tariff from ISTS charges collected by CTU. For Transmission Assets, if there is any failure or delay on the part of LTTCs to make the requisite payments to the CTU, which affects the capability of the CTU to make corresponding payments to us as a transmission licensee, we are entitled to a delayed payment charge from the LTTCs. For JKTPL, late payment surcharge is received from HVPNL in the event payment is received after 15 days of date of submission of the invoice. The applicable rate are as follows:

  In terms of the Electricity (Late Payment Surcharge) Rules, 2021, late payment surcharge shall be payable on the payment outstanding after the due date at the base rate (SBI 1 year MCLR+ 5% per annum) of late payment surcharge applicable for the period for the first month of default, provided that the rate of such late payment for successive months of default shall increase by 0.5% for every month of delay provide that the late payment surcharge shall not be more than 3% higher than the base rate at any time. All payments by a distribution licensee to a generating company or a trading licensee for power procured from it or by a user of a transmission system to a transmission licensee shall be first adjusted towards late payment surcharge and thereafter, towards monthly charges, starting from the longest overdue bill. Late payment surcharge as per above said rules is applicable to only PrKTCL, being cost plus assets. For all other assets, late payment surcharge is applicable as per Sharing Regulations, 2020. As per Sharing Regulations, 2020, the late payment surcharge shall be payable at rate of 1.50% per month beyond due date i.e., 45th day from the date of presentation of bill.

- Rebate: For the Transmission Assets (other than JKTPL), CERC Tariff Regulations and the TSAs provide for a rebate mechanism as an incentive for timely payment by the DICs. The ability of the DICs to pay the CTU on time directly impacts our cash flows. Typically, a rebate of 1.50% is allowed for payment of bills within five days of presentation of such bills while a rebate of 1.00% is allowed where payments are made on any day after five days and within 30 days of presentation of bills.

Commissioning and acquiring power transmission, renewable energy and battery energy storage system projects

The acquisition of additional commissioned transmission projects, renewable energy projects and battery energy storage system projects directly results in higher revenues and impacts other results of operations and cash flows. Key factors which affect our ability to acquire additional commissioned transmission projects and renewable energy projects and battery energy storage system projects, include the limited availability of inter-state and intra-state transmission projects, our ability to finance such acquisitions within the 70% debt to equity ratio prescribed by the InvIT Regulations and our ability to compete with third parties for such acquisitions. Any future transmission or renewable energy project or battery energy storage system acquisitions will directly affect our revenue.

Operational performance of the underlying solar assets

Our revenue from contracts with customers attributable to our Solar Assets is dependent on the volume of power generated and sold by our Solar Assets. Our results of operations are materially influenced by the degree to which we operate our Solar Assets in order to achieve maximum generation of power in an efficient and cost-effective manner. The power generation capability of our Solar Assets is dependent on a number of factors, including suitable weather conditions, the length of scheduled and any unexpected downtime required for maintenance and upkeep of our power plants and the generation efficiency of our Solar Assets. Generation of solar energy do not typically vary much year on year with limited variation in annual radiation levels. Therefore, maintaining a consistent PLF over the years will ensure us to maintain stable cash flows from our Solar Assets.

Tariff structures under the long-term PPAs

Our revenue from contracts with customers attributable to our Solar Assets primarily consist of sale of power generated from our solar power projects under the terms of our long term PPAs. As a result, a key factor affecting our results of operations is the terms of our PPAs and the creditworthiness of our off-takers. We have entered into long term PPAs with central and state off-takers such as SECI and APSPDCL.

The PPAs have pre-defined tariff for the entire term of the relevant PPA for contracted capacity and the majority of our off-takers, at any time during a contract year, are not obliged to purchase any additional energy from the relevant Solar Assets beyond the specified capacity in the relevant PPA and may purchase power beyond acceptable deviations at lower tariffs. If for any contract year, it is found that the relevant Solar Asset has not been able to generate minimum energy of specified capacity with the time periods specified in the relevant PPA, on account of reasons solely attributable to the Solar Assets, then such non-compliance shall make the Solar Assets liable to pay the compensation provided in the relevant PPA as payable to buying utilities (as defined in the relevant PPA), subject to certain conditions specified, and may lead to termination of the relevant PPA. Further, any excess generation over and above the specified quantity may be purchased by our off-takers at a lower rate at their option and often subject to conditions such as their ability to procure purchasers for such excess generation.

The PPAs executed by us have a pre-determined tariff structure, and we had a limited ability to negotiate the terms of such PPAs. If there is an industry-wide increase in tariffs, we may not be able to renegotiate the terms of the PPAs to take advantage of such increased tariffs. As a result, in the event of increase in operating costs or equipment costs, or increased costs as a result of changes in applicable laws or as a result of inflation, we may not be able to pass these cost increases on to our counterparties. The restrictions and uncertainties impose constraints on the flexibility of IndiGrid to conduct its business and its financial conditions and results of operations may be adversely affected. In the event any off-taker or a lender invokes any restrictive provision in the relevant PPA or interprets any term or condition in an adverse manner or there are any changes to our current tariff rates, such invocation or interpretation or amendment may adversely affect our business, financial condition and results of operations.

For further details on the terms of our PPAs, please see the section titled '*Business – Summary of Power Purchase Agreements'* on page 261.

Our Critical Accounting Policies

Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Group in preparing its consolidated financial statements:

a) Business combinations and goodwill

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

► Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

► Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

► Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

► Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

► Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

When the acquisition of an asset or group of assets does not constitute a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the individual identified assets and liabilities acquired based upon their relative fair values and no goodwill or deferred tax is recognised.

b) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

Power transmission services

Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCs for periods of 35/25 years. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs. The Group's performance obligation under the TSAs is to provide power transmission services. The performance obligation is satisfied over time as the customers receive and consume the benefits provided by the Group’s performance as the Group performs. Accordingly, the revenue from power transmission services is recognised over time based on the transmission asset availabilities and the tariff charges approved under the respective CERC tariff orders and includes unbilled revenues accrued up to the end of the accounting period. The payment is generally due within 60 days upon receipt of monthly invoice by the customer.

Solar Business – Electricity generation

Revenue from contracts with customers comprises of revenue arrangement is based on long term PPA with its customer SECI. As per the PPA, the Group’s performance obligation is to supply solar power at a rate specified in the PPA. Revenue is recognised over time for each period based on the volume of solar power supplied to the Customer as per the terms stated in the PPA at the metering point of the Customer. Estimates used in the revenue recognition as mentioned above are re-assessed periodically and are adjusted if required.

Regulatory Assets and revenue:

The group determines revenue gap for the period (i.e shortfall in actual returns over assured returns) based on the principles laid down under the CERC regulations and tariff orders issued by CERC. In respect of such revenue gaps, appropriate adjustments, have been made for the respective periods on a conservative basis in accordance with accounting policies and the requirement of Ind AS 114, “regulatory deferral accounts” read with guidance note on Accounting for rate regulated activities issued by Institute of Chartered Accountants of India. (“ICAI”).

Service Concession Arrangements:

The group through one of its subsidiaries also has operating and maintaining the power transmission system including sub-station constructed to provide services for a specified period of time in accordance with the transmission agreement entered into with the grantor.

Under Appendix D to lnd AS 115, this arrangement is considered as Service Concession Arrangement and in accordance with para 16 of the Appendix D to Ind AS 115, rights to receive the consideration from the grantor for providing services has been recognised as "financial assets".

Finance Income for Service Concession Arrangements under finance assets model is recognised using effective interest rate method. Revenue from operations and maintenance services are separately recognised in each period as and when services are rendered.

Change in Law

Revenue for change in law is accounted when legal claims are approved and there is certainty for its realization.

Contract balances

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Amounts which have been billed to the customers are disclosed as Trade receivables and amounts which are to be billed to the customers (and not conditional on the group's future performance) are disclosed under Other financial assets. Refer accounting policies for financial assets in Financial instruments – initial recognition and subsequent measurement.

c) Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.
- Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:
- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost as a result of measures to reduce carbon emission.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/value added/goods and service taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/value added/goods and service taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

d) Fair value measurement

The Group measures financial instruments such as mutual funds at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In estimating the fair value of transmission assets/projects, the Group engages independent qualified external valuers to perform the valuation. The management works closely with the external valuers to establish the appropriate valuation techniques and inputs to the model. The management in conjunction with the external valuers also compares the change in fair value with relevant external sources to determine whether the change is reasonable. The management reports the valuation report and findings to the Board of the Investment Manager quarterly to explain the cause of fluctuations in the fair value of the transmission/ solar projects.

At each reporting date, the management analyses the movement in the values of assets and liabilities which are required to be re-measured or reassessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy
- Disclosures for valuation methods, significant estimates and assumptions
- Financial instruments (including those carried at amortised cost)

Our Income

We generate substantially all of our income under the transmission contracts with customers pursuant to electricity transmission tariffs, which we account for as a sale of power transmission services. We also generate income from sale of electricity generated by our solar assets under the power purchase agreements.

Our Expenses

As the Portfolio Assets are fully operational, all expenses pertaining to each Portfolio Asset, and its elements are charged to profit and loss, as other expenses which primarily includes, transmission infrastructure maintenance changes, employee benefit expenses, insurance expenses and management fees.

Our primary expenses are provided below:

- ***Transmission infrastructure maintenance charges***

Our transmission infrastructure maintenance charges primarily comprise of payments under operation and maintenance contracts with third parties for the maintenance of the lines and substations. It also consists of repair and maintenance (replacement of construction materials) if any done on the lines and substation.

- ***Insurance***

Our Investment Manager has obtained insurance policies covering the majority of our Portfolio Assets to cover risks including loss or damage from fire, flood, storm, terrorism, sabotage, machinery breakdown and any accidental and physical loss and destruction or damage to the insured property due to a cause, other than as excluded in the insurance policies. Certain of these insurance policies are subject to exclusions for certain circumstances including, among others, faulty or defective design materials or workmanship, wear and tear, larceny, acts of fraud or dishonesty, any wilful act or wilful negligence on the part of the insured or any person acting on its behalf, war, invasion, damage caused by nuclear weapons material or ionising radiation or contamination by radioactivity from any nuclear fuel or nuclear waste, loss or damage caused directly or indirectly from discharge of pollutants or contaminants, and certain properties, including, among others, money, cheques, bonds, credit cards, securities of any description and explosives.

- ***Management Fees***

Under the terms of the Investment Management Agreement, the Investment Manager is entitled to a fee aggregating to 0.25% of AUM (as defined under the Investment Management Agreement) of the Portfolio Assets, subject to the condition that the fees payable shall not exceed 1.75% of the difference between revenue from operations and operating expenses (other than the fee of the Investment Manager) of each Portfolio Asset, per annum. For PrKTCL, the Investment Manager is entitled to a fee aggregating to 0.25% of the AUM of PrKTCL subject to the condition that the fees payable shall not exceed 1.56% of the difference between revenue from operations and operating expenses (other than the fee of the Investment Manager) of PrKTCL, per annum. For this purpose, the operating expenses do not include depreciation, finance cost and income tax expense. The Project Manager is entitled to a fee amounting to 7% of the gross expenditure incurred by each Portfolio Asset in relation to operation and maintenance costs, per annum.

IndiGrid is also required to pay to the Investment Manager an amount equal to 0.5% of the enterprise value of assets acquired in a particular financial year as acquisition fee, subject to achieving distribution per unit guidance of that particular financial year, where the enterprise value of an asset shall be as per the value reflected on the valuation report of that particular asset. The acquisition fee shall be payable within 15 days from the board meeting of the Investment Manager for the fourth quarter of the relevant financial year.

- ***Employee benefits expense***

Employee benefits expenses primarily comprise salaries, wages and bonus, contribution towards provident fund and superannuation fund, employees long term incentive programme, gratuity expense and staff welfare expenses.

- ***Finance costs***

Finance costs primarily comprise interest on financial liabilities measured at amortised cost, other bank and finance charges and discounting on factoring.

- ***Depreciation and amortization expenses***

Depreciation and amortization expenses include depreciation of tangible assets and amortization of intangible assets.

- ***Tax expenses***

Our tax expenses primarily comprise of deferred tax, MAT and current taxes. Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

- ***Deferred tax***

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Result of Operations

The following table sets forth certain information with respect to the result of operations of the Group (Trust and Portfolio Assets), on a consolidated basis, for the periods indicated below which are derived from audited consolidated financial statements of the Group for the fiscal ended 2023, 2022 and 2021 and unaudited interim condensed consolidated financial statement of the Group for the half year ended 30 September 2023 and comparatives appearing in the unaudited interim condensed consolidated financial statement of the Group for the half year ended 30 September 2023:

(In ₹ million, unless otherwise set out)

	Half year ended September 30, 2023	**Percentage of Total Income (%)**	**Half year ended September 30, 2022**	**Percentage of Total Income (%)**
INCOME				
Revenue from contracts with customers	13,242.00	96.32	11,419.00	96.58
Income from investment in mutual funds	286.95	2.09	151.97	1.29
Interest income on investment in fixed deposits	164.20	1.19	103.15	0.87
Other finance income	0.17	0.00	0.53	0.00
Other income	53.92	0.39	149.15	1.26
Total Income (i)	**13,747.24**	**100.00**	**11,823.80**	**100.00**
EXPENSES				
Employee benefits expense	711.44	5.18	178.10	1.51
Insurance expenses	104.83	0.76	102.24	0.86
Infrastructure maintenance charges	162.08	1.18	176.03	1.49
Project management fees	0.35	0.00	18.57	0.16
Investment management fees	590.02	4.29	221.19	1.87
Legal and professional fees	64.12	0.47	49.75	0.42
Annual listing fee	10.76	0.08	11.37	0.10
Rating fee	35.94	0.26	17.16	0.15
Valuation expenses	8.25	0.06	3.11	0.03
Trustee fee	11.85	0.09	6.00	0.05
Loss on sale of assets	0.19	0.00	-	0.00
Payment to auditors				
- Statutory audit fees	11.12	0.08	6.99	0.06

(In ₹ million, unless otherwise set out)

	Half year ended September 30, 2023	Percentage of Total Income (%)	Half year ended September 30, 2022	Percentage of Total Income (%)
- Other services (including certification)	2.12	0.02	2.17	0.02
Other expenses	330.01	2.40	299.43	2.53
Depreciation and amortization expense	4,136.33	30.09	3,486.17	29.48
Finance costs	6,051.69	44.02	5,070.72	42.89
Total expenses (ii)	**12,231.10**	**88.97**	**9,649.00**	**81.61**
Regulatory Deferral Expense (iii)	0.89	0.01	0.99	0.01
Profit before tax (iv) = (i) – (ii) – (iii)	**1,515.25**	**11.02**	**2,173.81**	**18.39**
Tax expense				
Current tax	55.21	0.40	61.83	0.52
Deferred tax	1.55	0.01	23.13	0.20
Income tax for earlier years	(2.23)	(0.02)	0.16	0.00
Tax expense (v)	**54.53**	**0.40**	**85.12**	**0.72**
Profit for the period (vi) = (iv-v)	**1,460.72**	**10.63**	**2,088.69**	**17.67**
Other comprehensive income				
Other comprehensive income to be reclassified to profit or loss in subsequent periods	-	0.00	-	0.00
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	-	0,00	-	0,00
Other comprehensive income for the period (vii)	-	0,00	-	0,00
Total comprehensive income for the period (viii) = (vi+vii)	**1,460.72**	**10.63**	**2,088.69**	**17.67**

(In ₹ million, unless otherwise set out)

	Financial Year ended March 31, 2023	Percentage of Total Income (%)	Financial Year ended March 31, 2022	Percentage of Total Income	Financial Year ended March 31, 2021	Percentage of Total Income
INCOME						
Revenue from contracts with customers	23,318.12	96.58	22,221.83	97.70	16,769.19	97.83
Income from investment in mutual funds	362.55	1.50	193.62	0.85	129.91	0.76
Interest income on investment in fixed deposits	239.37	0.99	146.37	0.64	135.77	0.79
Other finance income	1.93	0.01	9.48	0.04	13.63	0.08
Other income	220.91	0.92	173.11	0.76	93.03	0.54
Total Income (i)	24,142.88	100.00	22,744.41	100.00	17,141.53	100.00
EXPENSES						
Employee benefits expense	351.96	1.46	288.35	1.27	140.78	0.82
Transmission infrastructure maintenance charges	526.64	2.18	441.51	1.94	300.79	1.75
Legal and professional fees	171.95	0.71	176.12	0.77	145.38	0.85
Annual listing fee	11.38	0.05	9.83	0.04	6.18	0.04
Rating fee	24.85	0.10	31.55	0.14	50.71	0.30
Valuation expenses	5.89	0.02	8.58	0.04	3.05	0.02
Trustee fee	7.70	0.03	4.63	0.02	3.48	0.02
Audit Fees						
- Statutory audit fees	15.16	0.06	13.98	0.06	11.22	0.07
- Tax audit fees	3.10	0.01	3.05	0.01	2.14	0.01
- Other services (including certification)	1.45	0.01	2.67	0.01	7.77	0.05
Other expenses	1,304.86	5.40	1,163.12	5.11	1,720.26	10.04
Depreciation and amortization expense	7,040.70	29.16	6,654.86	29.26	4,304.85	25.11
Finance costs	10,108.90	41.87	10,501.48	46.17	6,864.95	40.05
Impairment/ (reversal of impairment) of property, plant and equipment and service concession receivable	(120.14)	(0.50)	(54.97)	(0.24)	175.11	1.02
Total expenses (ii)	19,454.40	80.58	19,244.76	84.61	13,736.67	80.14
Regulatory Deferral Income (iii)	0.90	0.00	6.93	0.03	(15.51)	(0.09)

(In ₹ million, unless otherwise set out)

	Financial Year ended March 31, 2023	Percentage of Total Income (%)	Financial Year ended March 31, 2022	Percentage of Total Income	Financial Year ended March 31, 2021	Percentage of Total Income
Profit before tax (iv) = (i) – (ii) – (iii)	4,687.58	19.42	3,492.72	15.36	3,420.37	19.95
Tax expense						
Current tax	119.78	0.50	43.66	0.19	49.85	0.29
Deferred tax	(91.25)	(0.38)	10.97	0.05	24.92	0.15
Income tax for earlier years	1.26	0.01	5.34	0.02	1.51	0.01
Tax expense (v)	29.79	0.12	59.97	0.26	76.28	0.45
Profit for the year (vi) = (iv-v)	4,657.79	19.29	3,432.75	15.09	3,344.09	19.51
Other comprehensive income						
Other comprehensive income to be reclassified to profit or loss in subsequent periods	-	0.00	-	0.00	-	0.00
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	2.74	0.01	(0.80)	0.00	(3.62)	(0.02)
Other comprehensive income for the year (vii)	2.74	0.01	(0.80)	0.00	(3.62)	(0.02)
Total comprehensive income for the year (viii) = (vi+vii)	4,660.53	19.30	3,433.55	15.10	3,347.71	19.53

1. Please note that in the Fiscal year 2023, 2022 and 2021, the Trust and the Portfolio Assets, as applicable, on a consolidated basis, other expenses includes following expenses :

a. Insurance expenses (₹ 204.09 million in the Fiscal year 2023, ₹ 252.43 million in the Fiscal year 2022 and ₹ 243.64 million in the Fiscal year 2021);

b. Project management fees (₹ 1.42 million in the Fiscal year 2023, ₹ 29.77 million in the Fiscal year 2022 and ₹ 63.79 million in the Fiscal year 2021);

c. Investment management fees (₹ 450.30 million in the Fiscal year 2023, ₹ 434.12 million in the Fiscal year 2022 and ₹ 330.71 million in the Fiscal year 2021);and

d. Loss on sale of assets (₹ Nil million in the Fiscal year 2023, ₹ 0.16 million in the Fiscal year 2022 and ₹ 40.42 million in the Fiscal year 2021).

Half year ended September 30, 2023 compared to Half year ended September 30, 2022

Total Income

We had a total income of ₹ 13,747.24 million in half year ended September 30, 2023, an increase of 16.27 % from our total income of ₹ 11,823.80 million in half year ended September 30, 2022. This increase in total income was primarily due to:

Revenue from contracts with customers: Our revenue from contracts with customers in half year ended September 30, 2023 increased by 15.96% from ₹ 11,419.00 million in half year ended September 30, 2022 to ₹ 13,242.00 million in half year ended September 30, 2023. This increase in revenue from contracts with customers is primarily attributable to the post acquisition revenue of 100% shares in Raichur Transmission Company Private Limited, 100% shares in Khargone Transmission Limited and 100% units in Virescent Renewable Energy Trust ('Unit Acquisition' in 'VRET').

Other income: Our other income decreased by 63.85 % from ₹ 149.15 million in half year ended September 30, 2022 to ₹ 53.92 million in half year ended September 30, 2023, which is primarily attributable to a decrease in revenue generated from the sale of scrap and deferred income on VGF.

Income from investment in mutual funds, interest income on investment in fixed deposits and other finance income: Our income from investment in mutual funds, interest income on investment in fixed deposits and other finance income increased by 76.54% from ₹ 255.65 million in half year ended September 30, 2022 to ₹ 451.32 million in half year ended September 30, 2023. This is primarily attributable to an increase in surplus cash and increase in DSRA.

Total expenses

Our total expenses increased by 26.76% from ₹ 9,649.00 million in half year ended September 30, 2022 to ₹ 12,231.10 million in half year ended September 30, 2023 due to reasons explained below*:*

Finance costs: Our finance costs increased by 19.35% from ₹ 5,070.72 million in half year ended September 30, 2022 to ₹ 6,051.69 million in half year ended September 30, 2023. This is primarily attributable to an increase in interest on borrowings, interest expense on lease liabilities and other bank and finance charges.

Depreciation and amortisation expense: Depreciation and amortisation expense totalled ₹ 4,136.33 million in half year ended September 30, 2023, a 18.65% increase over an amount of ₹ 3,486.17 million in half year ended September 30, 2022, which was primarily attributable to increase in depreciation of tangible assets and right of use assets and increase in amortisation of intangible assets

Total expenses (excluding depreciation and amortization expense and finance costs): Our total expenses (excluding depreciation and amortisation expense and finance costs) totalled ₹ 2,043.08 million in half year ended September 30, 2023, a 87.08% increase over our total expenses (excluding depreciation and amortisation expense and finance costs) of ₹ 1,092.11 million in half year ended September 30, 2022, which is primarily attributable to acquisition of new project assets thereby increasing the total expenses.

Profit before tax

As a result of the factors outlined above, our profit before tax was ₹ 1,515.25 million in half year ended September 30, 2023, compared to a profit before tax of ₹ 2,173.81 million in half year ended September 30, 2022.

Total tax expense

Total tax expense reduced to ₹ 54.53 million in half year ended September 30, 2023, from ₹ 85.12 million in half year ended September 30, 2022, on account of deferred tax expense of ₹ 1.55 million in half year ended September 30, 2023, as against deferred tax expense of ₹ 23.13 million in half year ended September 30, 2022, and a decrease in current tax from ₹ 61.83 million in the half-year ended September 30, 2022 to ₹ 55.21 million in half year ended September 30, 2023.

Total Comprehensive Income (TCI)

As a result of the factors outlined above, our TCI was ₹ 1,460.72 million in half year ended September 30, 2023 compared to a TCI of ₹ 2,088.69 million in half year ended September 30, 2022.

Fiscal 2023 compared to Fiscal 2022

Total Income

We had a total income of ₹ 24,142.88 million in Fiscal 2023, an increase of 6.15% from our total income of ₹ 22,744.41

million in Fiscal 2022. This increase in total income was primarily due to:

Revenue from contracts with customers: Our revenue from contracts with customers in Fiscal 2023 increased by 4.93% from ₹ 22,221.83 million in Fiscal 2022 to ₹ 23,318.12 million in Fiscal 2023. This increase in revenue from contracts with customers is primarily attributable to the post acquisition revenue from RSTCPL and KTL in fiscal 2023, as RSTCPL was acquired in November 2022 and KTL was acquired in March 2023.

Other income: Our other income increased by 27.61% from ₹ 173.11 million in Fiscal 2022 to ₹ 220.91 million in Fiscal 2023, which is primarily attributable to increase in realisation of ₹ 77.26 million on account of sale of scrap and ₹ 33.33 million on account of increase in deferred income on VGF.

Income from investment in mutual funds, interest income on investment in fixed deposits and other finance income: Our income from investment in mutual funds, interest income on investment in fixed deposits and other finance income increased by 72.79% from ₹ 349.47 million in Fiscal 2022 to ₹ 603.85 million in Fiscal 2023. This is primarily attributable to an increase in surplus cash and increase in DSRA.

Total expenses

Our total expenses increased by 1.09% from ₹ 19,244.76 million in Fiscal 2022 to ₹ 19,454.40 million in Fiscal 2023 due to reasons explained below*:*

Finance costs: Our finance costs decreased by 3.74% from ₹ 10,501.48 million in Fiscal 2022 to ₹ 10,108.90 million in Fiscal 2023. This is primarily attributable to decrease in interest on financial liabilities measured at amortised cost, discounting on factoring, interest expense on lease liabilities and other bank and finance charges.

Depreciation and amortisation expense and impairment / (reversal of impairment) of property, plant and equipment and service concession receivable: Depreciation and amortisation expense and impairment / (reversal of impairment) of property, plant and equipment and service concession receivable totalled ₹ 6,920.56 million in Fiscal 2023, a 4.86% increase over an amount of ₹ 6,599.89 million in Fiscal 2022, which was primarily attributable to increase in depreciation of tangible assets and right of use assets and increase in amortisation of intangible assets.

Total expenses (excluding depreciation and amortisation expense, impairment / (reversal of impairment) of property, plant and equipment and service concession receivable and finance costs): Our total expenses (excluding depreciation and amortisation expense, impairment / (reversal of impairment) of property, plant and equipment and service concession receivable and finance costs) totalled ₹ 2,424.94 million in Fiscal 2023, a 13.14% increase over an amount of ₹ 2,143.39 million in Fiscal 2022, which is primarily attributable to acquisition of new project assets thereby increasing the total expenses..

Profit before tax

As a result of the factors outlined above, our profit before tax was ₹ 4,687.58 million in Fiscal 2023 compared to a profit before tax of ₹ 3,492.72 million in Fiscal 2022.

Total tax expense

Total tax expense reduced to ₹ 29.79 million in Fiscal 2023 from ₹ 59.97 million in Fiscal 2022 on account of deferred tax credit of ₹ 91.25 million in fiscal 2023 as against deferred tax expense of ₹ 10.97 million in fiscal 2022, which was compensated by increase in current tax by ₹ 76.12 million in fiscal 2023.

Total Comprehensive Income (TCI)

As a result of the factors outlined above, our TCI was ₹ 4,660.53 million in Fiscal 2023 compared to a TCI of ₹ 3,433.55 million in Fiscal 2022.

Fiscal 2022 compared to Fiscal 2021

Total Income

We had a total income of ₹ 22,744.41 million in Fiscal 2022, an increase of 32.69% from our total income of ₹ 17,141.53 million in Fiscal 2021. This increase in total income was primarily due to:

Revenue from contracts with customers: Our revenue from contracts with customers in fiscal 2022 increased by 32.52% from ₹ 16,769.19 million in fiscal 2021 to ₹22,221.83 million in fiscal 2022. This increase in revenue from contracts with customers is primarily attributable to the post-acquisition revenue from IGL Solar I and IGL Solar II in fiscal 2022, as IGL Solar I and

IGL Solar II were acquired in July 2021.

Other income: Our other income increased by 86.08% from ₹ 93.03 million in fiscal 2021 to ₹ 173.11 million in fiscal 2022, which is primarily attributable to profit of ₹ 28.86 million on account of sale of scrap, profit of ₹ 0.19 million on sale of property, plant and equipment, ₹ 13.12 million on account of deferred income on VGF and ₹ 74.89 million from miscellaneous income.

Income from investment in mutual funds, Interest income on investment in fixed deposits and other finance income: Our income from investment in mutual funds, Interest income on investment in fixed deposits and other finance income increased by 25.12% from ₹ 279.31 million in fiscal 2021 to ₹ 349.47 million in fiscal 2022. This is primarily attributable to an increase in surplus cash and increase in DSRA.

Total expenses

Out total expense increased by 40.10% from ₹ 13,736.67 million in Fiscal 2021 to ₹ 19,244.76 million in Fiscal 2022 due to reasons explained below.

Finance costs: Our finance costs increased by 52.97% from ₹ 6,864.95 million in fiscal 2021 to ₹ 10,501.48 million in fiscal 2022 due to an increase in overall borrowing.

Depreciation and amortisation expense and impairment / (reversal of impairment) of property, plant and equipment and service concession receivables: Depreciation and amortisation expense and impairment / (reversal of impairment) of property, plant and equipment and service concession receivables totalled ₹ 6,599.89 million in fiscal 2022, a 47.32% increase over the expense of ₹ 4,479.96 million in fiscal 2021 which is primarily on account of acquisition of new project assets.

Total expenses (excluding depreciation and amortisation expense, impairment / (reversal of impairment) of property, plant and equipment and service concession receivables and finance costs): Our total expenses (excluding depreciation and amortisation expense, impairment / (reversal of impairment) of property, plant and equipment and service concession receivables and finance costs) totalled ₹ 2,143.39 million in Fiscal 2022, a 10.38% decrease from our total expenses of ₹ 2,391.76 million in Fiscal 2021, which is primarily attributable to a decrease in earn out expenses of ₹ 797.15 million and compensated by higher employee benefit expense of ₹ 147.57 million and increase in transmission infrastructure maintenance charges of ₹ 140.72 million.

Profit before tax

As a result of the factors outlined above, our profit before tax was ₹ 3,492.72 million in fiscal 2022 compared to a profit before tax of ₹ 3,420.37 million in fiscal 2021.

Total tax expense

Total tax expense for the fiscal 2022 decreased to ₹ 59.97 million as compared to ₹ 76.28 million in fiscal 2021 primarily on account of deferred tax expense of ₹ 10.97 million and current tax expense of ₹ 43.66 million in fiscal 2022.

Total Comprehensive Income (TCI)

As a result of the factors outlined above, our TCI for the year was ₹ 3,433.55 million in fiscal 2022 compared to the TCI for the year of ₹ 3,347.71 million in fiscal 2021.

India Grid Trust

Reconciliation of Profit for the Period / Year to EBITDA and EBITDA as a percentage of total income

The table below reconciles the profit for the period / year to EBITDA. EBITDA is calculated as profit for the period / year, plus finance costs, total tax expenses / (credit), depreciation and amortisation expense, impairment / (reversal) of property, plant and equipment and service concessions receivables, less income from investment in mutual funds, interest income on investment in fixed deposits and other finance income while EBITDA as a percentage of total income is calculated by dividing

EBITDA by total income for the period / year.

(*in ₹ million*)

Particulars	**Half year ended September 30, 2023**	**Half year ended September 30, 2022**	**Financial Year ended March 31, 2023**	**Financial Year ended March 31, 2022**	**Financial Year ended March 31, 2021**
Profit for the period/year (A)	**1,460.72**	**2,088.69**	**4,657.79**	**3,432.75**	**3,344.09**
Add: Finance costs (B)	6,051.69	5,070.72	10,108.90	10,501.48	6,864.95
Add: Total tax expenses (C)	54.53	85.12	29.79	59.97	76.28
Add: Depreciation and amortisation expense (D)	4,136.33	3,486.17	7,040.70	6,654.86	4,304.85
Add: Impairment/ (reversal of impairment) of property, plant and equipment and service concession receivable (E)	-	-	(120.14)	(54.97)	175.11
Less: Income from investment in mutual funds (F)	286.95	151.97	362.55	193.62	129.91
Less: Interest income on investment in fixed deposits (G)	164.20	103.15	239.37	146.37	135.77
Less : Other finance income (H)	0.17	0.53	1.93	9.48	13.63
Earnings before interest, taxes, depreciation and amortisation expenses (EBITDA) I = (A + B+ C + D + E – F – G - H)	**11,251.95**	**10,475.05**	**21,113.19**	**20,244.62**	**14,485.97**
Total Income (J)	**13,747.24**	**11,823.80**	**24,142.88**	**22,744.41**	**17,141.53**
EBITDA as a percentage of Total income for the period / year K = (I / J)	**81.85%**	**88.59%**	**87.45%**	**89.01%**	**84.51%**

Liquidity and Capital Resources of IGT

Overview

Our principal capital requirements are for interest costs and the repayment of long-term borrowings.

Over the past three years, we have been able to finance our capital requirements through cash generated from our operations, long term bank loans and non-convertible debentures. We have been able to finance the operations and maintenance of our power transmission projects and solar projects requirements of our Portfolio Assets through cash generated from our operations. As at September 30, 2023 we had ₹ 6,902.76 million of cash and cash equivalents, ₹ 3,897.39 million in other bank balances, ₹ 5,780.03 million in current trade receivables, ₹ 6,790.65 million in current investments.

We believe that, after taking into account the expected cash to be generated from our operations, we will have sufficient liquidity for our present requirements and anticipated requirements for interest costs and the repayment of long-term borrowings for at least 12 months following the date of this Preliminary Placement Document.

The following table sets forth information on our current investments and cash and cash equivalents as at the dates indicated:

(*in ₹ million*)

Particulars	**September 30, 2023**	**September 30, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Current Investments	6,790.65	1,641.77	4,462.46	1,451.73	-
Cash and cash equivalents	6,902.76	6,137.11	3,166.23	11,873.37	26,066.29

The following table sets forth certain information concerning our cash flows for the periods indicated:

(*in ₹ million*)

Particulars	**September 30, 2023**	**September 30, 2022**	**March 2023**	**March 2022**	**March 2021**
Net cash flow generated from operating activities	11,081.29	8,506.42	20,356.06	20,806.58	16,795.76
Net cash flow (used in) investing activities	(42,191.17)	(715.74)	(21,179.44)	(15,168.37)	(58,971.86)
Net cash flow (used in) / from financing activities	34,859.45	(13,527.97)	(7,883.76)	(19,831.17)	64,153.98

Net cash flow generated from operating activities

Net cash generated by operating activities increased from ₹ 8,506.42 million in half year ended September 30, 2022 to ₹ 11,081.29 million in half year ended September 30, 2023, primarily due to a reduction in changes in working capital from ₹ (1,754.87) million in half year ended September 30, 2022 to ₹ (50.13) million in half year ended September 30, 2023.

Net cash generated from operating activities decreased from ₹ 20,806.58 million in fiscal 2022 to ₹ 20,356.06 million in fiscal 2023, primarily due to an increase in operating profit before working capital changes of ₹ 870.51 million compensated by increase in working capital.

Net cash generated from operating activities increased to ₹ 20,806.58 million in Fiscal 2022 from ₹ 16,795.76 million in Fiscal 2021, primarily due to an increase in operating profit before working capital changes of ₹ 5,694.37 million compensated by decrease in changes in working capital by ₹ 1,585.62 million and decrease in cash inflow of ₹ 97.93 million on account of direct taxes paid (net of refunds).

Net Cash flow used in Investing Activities

Net cash flow used in investing activities increased to ₹ 42,191.17 million in in half year ended September 30, 2023 from net cash flow used in investing activities of ₹ 715.74 million in in half year ended September 30, 2022, primarily due to, amongst other things, the purchase of property plant and equipment (including capital work-in-progress) and property, plant and equipment acquired on acquisition, the acquisition of subsidiaries and investment in fixed deposits.

Net cash flow used in investing activities increased to ₹ 21,179.44 million in Fiscal 2023 from net cash flow used in investing activities of ₹ 15,168.37 million in fiscal 2022, primarily due to increase in outflow of ₹ 6,776.50 million towards purchase of property plant and equipment.

Net cash flow used in investing activities decreased to ₹ 15,168.37 million in Fiscal 2022 from net cash flow used in investing activities of ₹ 58,971.86 million in Fiscal 2021, primarily due to decrease in outflow of ₹ 43,905.42 million towards purchase of property plant and equipment.

Net Cash flow (used in)/ generated from Financing Activities

Net cash flow generated by financing activities increased to ₹ 34,859.45 million in the half year ended September 30, 2023 from the net cash flow used in financing activities of ₹ 13,527.97 million in September 30, 2022, primarily due to cash generated from proceeds of long term borrowings ₹ 53,400.00 million and the proceeds from the issuance of unit capital of ₹ 4,035.00 million in half year ended September 30, 2023.

Net cash flow used in financing activities decreased to ₹ 7,883.76 million in Fiscal 2023 from net cash flow used in financing activities of ₹ 19,831.17 million in Fiscal 2022, primarily due to an increase in proceeds from long term borrowings (net of repayment of long-term borrowings) of ₹ 30,675.62 million and compensated by proceeds from rights issue (net of issue expenses) of ₹ 12,757.46 million.

Net cash flow used in financing activities was ₹ 19,831.17 million for Fiscal 2022 from a net cash flow used in ₹ 64,153.98 million in Fiscal 2021 primarily due to an increased outflow on account of repayment of long-term borrowings by ₹ 54,957.00 million, outflow on account of acquisition of non-controlling interest of ₹ 807.65 million, an increased distribution to unitholders of ₹ 1,806.28 million and increased finance costs of ₹ 4,435.30 million.

Financial Resources

As of the half year ended September 30, 2023, we had aggregate cash and cash equivalents including current investment and other bank balances of ₹ 17,590.80 million, an increase of ₹ 6,138.70 million from ₹ 11,452.10 million as of September 30, 2022 primarily on account of proceeds from issue of unit capital. Our current trade receivables increased to ₹ 5,780.03 million as of the half-year ended September 30, 2023 due to increase in revenue

As of March 31, 2023, we had aggregate cash and cash equivalents including current investment and other bank balances of ₹ 11,499.19 million, a decrease of ₹ 4,993.78 million from ₹ 16,492.97 million as of March 31, 2022 primarily on account of increase in capital expenditure for purchase of property, plant and equipment (including capital work in progress). Our current trade receivables increased from ₹ 3,898.15 million as of March 31, 2022 to ₹ 4,180.21 million as of March 31, 2023, due to increase in revenue.

As of March 31, 2022, we had aggregate cash and cash equivalents including current investment and other bank balances of ₹ 16,492.97 million, a decrease of ₹ 11,345.13 million from ₹ 27,838.10 million as of March 31, 2021 due to prepayment of Non-convertible debenture. Our current trade receivables increased from ₹ 2,976.55 million as of March 31, 2021 to ₹ 3,898.15 million as of March 31, 2022 due to acquisition of new portfolio assets thereby increasing revenue and debtors.

Contingent Liabilities

Our contingent liability (as per Ind AS 37) could adversely affect our financial condition, results of operations and cash flows.

As of the half-year ended September 30, 2023, we had a contingent liability of ₹ 877.44 million, the details for which are as set forth in the table below:

Particulars	As on 30 September 2023 (in ₹ million)
Entry tax demand	432.59
VAT/CST demand	20.09
Other demands	325.93
Income tax demand	98.83

As of March 31, 2023, we had a contingent liability of ₹ 782.21 million, the details for which are as set forth in the table below:

Particulars	As on 31 March 2023 (in ₹ million)
Entry tax demand	432.59
VAT/CST demand	23.69
Other demands	325.93

Borrowings

As of September 30, 2023, we had consolidated borrowings of ₹ 1,86,911.79 million which increased by 44.10% from ₹ 1,29,750.28 million as of September 30, 2022, primarily due to acquisition of RSTCPL, KTL and VRET Assets.

As of March 31, 2023, we had consolidated borrowings of ₹ 144,931.31 million, which increased by 8.69% from ₹ 133,348.45 million as of March 31, 2022, primarily due to additional long term loan and non-convertible debentures issued by IndiGrid, during the year ended March 31, 2023 for the acquisition of Khargone and Raichur.

As of March 31, 2022, we had consolidated borrowings of ₹ 133,348.45 million, which decreased by 8.52% from ₹ 145,762.08 million as of March 31, 2021, primarily due to repayment of long term loan and prepayment of non-convertible debentures (Including market linked) by IndiGrid.

(*in ₹ million*)

Particulars	Half-year ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Non-Current Debentures	79,750.28	53,607.39	48,100.13	74,945.64
Non-Current Term Loans	82,707.05	82,067.19	63,211.37	61,086.94
Current Borrowings	24,454.46	9,256.73	22,036.95	9,729.50
Total borrowings	**186,911.79**	**144,931.31**	**133,348.45**	**145,762.08**

For further details, please see the section entitled "*Financial Indebtedness and Deferred Payments*" on page 270.

Historical and planned capital expenditure

We do not anticipate any further capital expenditures for the Portfolio Assets.

Off-Balance Sheet Transactions

We do not have any off-balance sheet transactions.

Related party transactions

We have in past engaged, and in the future may engage, in related party transactions. For a description of our related party transactions and procedures for dealing with and approval of related party transactions, see the section entitled "*Related Party*

Transactions" on page 301.

Market Risks

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk. Financial instruments affected by market risk include borrowings, bank deposits, investments in short-term mutual funds, and derivative financial instruments.

Interest rate risk

Our exposure to the risk of changes in market interest rate primarily relates to our long term debt obligations with floating interest rates.

The development and construction of the Portfolio Assets were funded to large extent by debt and increase in interest expenses could have adverse effect on our cash flows, results of operations and financial condition. Although from time to time we may engage in interest rate hedging transactions or exercise any rights available to us under these financing arrangements to terminate the existing debt financing arrangement and enter into new financing arrangements, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks.

Foreign currency risk

We do not have any revenues in foreign currency. As of March 31, 2023, we do not have any foreign currency borrowings.

Liquidity risk

Liquidity risk is the risk that we may encounter when we face difficulties in meeting financial obligations that are required to be settled by delivering cash or another financial asset. We primarily require funds for short term operational needs as well as for long term investment programs mainly to finance projects. We manage this risk by closely monitoring our liquidity position and by deploying a cash management system, and we aim to minimise these risks by generating sufficient cash flows from our operations.

Credit Risk

Under the PoC mechanism, all the charges collected by the CTU are disbursed pro-rata to all transmission service providers, or TSPs, including us, from the pool in proportion of respective billed amount. Due to this, the TSPs are shielded against any potential default by a particular DIC. If a particular DIC delays or defaults, the delay or shortfall is prorated amongst all the licensees. Although a systemic risk, any delay in payments of monthly transmission charges to CTU by LTTCs may adversely affect our cash flows and results of operations.

Inflation

Inflation may have a material impact on our business, results of operations and cash flows. Only a relatively small proportion of our tariff fee is comprised of an escalable component which varies with inflation, most of the tariff is on a fixed non-escalable rate. Our major expenses, including insurance costs and third party contractors for operations and maintenance, are subject to inflation.

Seasonality

Our financial results are not affected by seasonality.

Unusual or Infrequent Events or Transactions

Except as described in this Preliminary Placement Document, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

Known Trends or Uncertainties

Other than as described in this section and the section "*Risk Factors*" on page 87, respectively, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on our revenues or income from continuing operations.

Future Relationships between Expenditure and Income

Other than as described in this section and the section "*Risk Factors*" on page 87, to our knowledge there are no known factors which will have a material adverse impact on our operations or finances.

New Services or Business

Other than as described in the section "*Our Business*" on page 211, there are no new services or business in which we operate.

Competitive Conditions

We expect competitive conditions in our industry to intensify further as new entrants emerge and as existing competitors seek to emulate our InvIT business model and offer similar services and investment opportunities. For further details, please refer to the sections "*Industry Overview*", "*Risk Factors*" and "*Our Business*" on pages 169, 87 and 211, respectively.

Significant Developments after September 30, 2023

To our knowledge, there has been no material development after the date of the Consolidated Financial Statements, except the following:

1. IndiGrid acquired 100% of the share capital of the Virescent IM, along with its then wholly-owned subsidiary, the Virescent PM on September 8, 2023. Subsequently, on November 22, 2023, IGL acquired 100% of the share capital of the Virescent PM from the Virescent IM.

2. KBPL was incorporated on November 6, 2023 under the Companies Act, 2013 at Mumbai, India. The registered office of KBPL is at Unit No. 101 first floor, Windsor Village kolekalyan, Vidyanagari, Mumbai 400098, Maharashtra, India. Its CIN is U35100MH2023PTC413386. A letter of intent/acceptance for design, supply, testing, installation, commissioning, operation and maintenance of 20 MW/40 MWh battery energy storage systems at 33/11 kV Kilokari Grid station was issued to Indigrid 2 Limited by BSES Rajdhani Power Limited on October 23, 2023. KBPL was incorporated pursuant to the above letter of intent. KBPL has not yet commenced operations.

Further, no developments have taken place or circumstances arisen which have materially and adversely affected or are likely to affect within the next twelve months the: (i) trading, profitability, performance or prospects of the Trust or its underlying holding companies and special purpose vehicles (on a standalone or consolidated basis); (ii) value of the assets of the Trust or its underlying holding companies and special purpose vehicles (on a standalone or consolidated basis); (iii) the ability of the Trust or its underlying holding companies and special purpose vehicles (on a standalone or consolidated basis) to pay its liabilities.

The Trust and the Investment Manager confirm that there has been no material change in the contingent liabilities since September 30, 2023, being the date of latest financial information included in this Preliminary Placement Document.

The Trust and the Investment Manager confirm that there has been no material change in the capital and other commitments since September 30, 2023, being the date of latest financial information included in this Preliminary Placement Document.

The month-wise unaudited revenue for the Portfolio Assets from the date of the latest financial statements included in this Preliminary Placement Document until the completed month before the filing of this Preliminary Placement Document has been provided below:

(in ₹ million)

Sr. No.	Portfolio Assets*	October 2023	November 2023
1.	IGL	-	-
2.	IGL1	-	-
3.	IGL2	-	-
4.	BDTCL	161.33	157.15
5.	JTCL	128.74	124.84
6.	MTL	48.88	47.59
7.	RTCL	38.37	37.38
8.	PKTCL	63.17	61.50
9.	PTCL	26.84	26.13
10.	ENICL	127.05	123.69
11.	GPTL	120.14	116.97
12.	JKTPL	33.46	31.65
13.	NTL	438.48	426.91

Sr. No.	Portfolio Assets*	October 2023	November 2023
14.	OGPTL	132.49	128.95
15.	PrKTCL	114.19	114.59
16.	KTL	154.96	151.09
17.	Kallam	-	-
18.	RSTCPL	29.97	29.87
19.	NER	413.87	394.22
20.	IGL Solar I	41.19	27.41
21.	IGL Solar II	42.77	29.86
22.	GGEPL	89.26	29.45
23.	GSPPL	21.64	17.33
24.	Solar Edge	105.05	85.26
25.	TKSPL	48.88	37.90
26.	TNSPEPL	21.79	18.82
27.	UMD	25.55	20.69
28.	TRSPL	22.64	19.58
29.	PLG	43.41	34.96
30.	TSET	13.92	9.80
31.	TSEC	20.46	15.83
32.	TSEP	18.02	13.78
33.	TSEN	4.45	2.65
34.	TSEG	6.61	4.49
35.	TSESPL	0.45	0.88
36.	USUPL	72.24	54.09
37.	KBPL	-	-

**The Virescent IM and Virescent PM have not generated any revenue in the months set out above.*

Capitalisation statement

(in ₹ million)

Particulars	Pre issue at September 30, 2023	As adjusted for the Issue*
Total Debt (A)	**1,86,911.79**	**[●]**
Unit Capital	69,879.63	**[●]**
Retained earnings	(19,760.86)	**[●]**
Total unitholders fund (B)	**50,992.59**	**[●]**
Debt equity ratio [A/B]	**3.67**	**[●]**

**To be updated in Placement Document*

RELATED PARTY TRANSACTIONS

In terms of Regulation 2(1)(zv) of the InvIT Regulations, related party shall be as defined as under the Companies Act, 2013 or under the applicable accounting standards and shall also include: (i) Parties to IndiGrid; and (ii) promoters, directors, and partners of the Parties to IndiGrid. Further, related parties also include such persons and entities as defined in terms of the applicable accounting standards, being IndAS 24 on "*Related Party Disclosures*" (the "**Related Parties**"). The Parties to IndiGrid, may, from time to time, enter into related party transactions, in accordance with applicable law.

Proposed Related Party Transactions

The Investment Manager's Internal Controls System

The Investment Manager has implemented an internal controls system to ensure that all future or any subsequent modifications of transactions of IndiGrid with related parties will be:

(a). on an arm's length basis in accordance with the relevant accounting standards;

(b). in the best interest of the Unitholders; and

(c). consistent with the strategy and investment objectives of IndiGrid.

For a description of the various measures implemented by the Investment Manager in this regard, please see the section entitled "*Corporate Governance*" on page 162.

Procedure for dealing with Related Party Transactions and Potential Conflicts of Interest

The Investment Manager has established certain procedures to deal with conflict of interest issues. For details and description of such procedures, please see the section entitled "*Corporate Governance*" on page 162 and the "*Policy on Related Party Transactions*" adopted by the Investment Manager, which is available at https://www.indigrid.co.in/wp-content/uploads/2021/12/Policy_on_Ralated_Part_-Transactions.pdf.

Disclosure of Related Party Transactions

For details of the related party transactions as per Ind AS 24 entered into by IndiGrid as of and for the last three Fiscals, and as of and for the half year period ended September 30, 2023, see "*Financial Statements*" enclosed at Annexure B.

REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws currently in force in India, which are applicable to our business and operations. The information detailed in this section has been obtained from publications available in the public domain. The description below may not be exhaustive, and is only intended to provide general information, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions.

Industry specific legislations

Electricity Act, 2003 and the Electricity Rules, 2005

The Electricity Act, 2003 (the "**Electricity Act**") is the central legislation which covers, amongst others, generation, transmission, distribution, trading and use of electricity and prescribes technical standards in relation to the connectivity of generating companies with the grid. As per provisions of the Electricity Act and the rules made thereunder, generating companies are required to establish, operate and maintain generating stations, tie-lines, sub-stations and dedicated transmission lines. Further, the generating companies may supply electricity to any licensee or to consumers subject to availing open access to the transmission and distribution systems and payment of transmission charges, including wheeling charges and open access charges, as may be determined by the concerned electricity regulatory commission, in accordance with the Electricity Act and the rules and regulations made thereunder.

Under the Electricity Act, the transmission, distribution and trade of electricity are licensed activities that require licenses from the Central Electricity Regulatory Commission (the "**CERC**"), concerned State Electricity Regulatory Commissions (the "**SERCs**") or a joint commission (constituted by an agreement entered into by two or more state governments or the central government in relation to one or more state governments, as the case may be) (the joint commission along with the CERC and the SERCs, hereinafter collectively referred to as the "**Appropriate Commission**"). In accordance with Section 7 of the Electricity Act, a generating company may establish, operate and maintain a generating station without obtaining a licence under the Electricity Act if it complies with the technical standards relating to connectivity with the grid prescribed under clause (b) of Section 73 of the Electricity Act.

Under the Electricity Act, the SERCs are required to promote co-generation and generation of electricity from renewable sources of energy and sale of electricity to any person. The Electricity Act further requires the SERCs to specify, for the purchase of electricity from renewable sources, a percentage of the total consumption of electricity within the area of a distribution licensee ("**Renewable Purchase Obligations**" or "**RPOs**").

Additionally, Electricity Rules, 2005 (the "**Electricity Rules**") also prescribe a regulatory framework for developing captive generating plants. Pursuant to the Electricity Rules, a power plant shall qualify as a captive power plant only if not less than 26% of ownership is held by captive users and not less than 51% of the aggregate electricity generated in such plant, determined on an annual basis, is consumed for captive use. In case of a generating station owned by a company formed as a special purpose vehicle, the electricity required to be consumed by the captive users are to be determined with reference to such unit or units identified for captive use and not with reference to the generating station as a whole, and the equity shares of such special purpose vehicle required to be held by the captive users must not be less than 26% of the proportionate equity interest of the company related to the generating unit or units identified as the captive generating plant. Further, pursuant to amendments to the Electricity Rules, the license period for deemed licensees which do not have a fixed license period has been fixed as 25 years from the date of coming into force of the Electricity Act.

Tariff Determination

Under the Electricity Act, tariffs are broadly determined in the following manner:

(i) In terms of Section 62(1) of the Electricity Act, the Appropriate Commission is empowered to determine the tariff for the supply of electricity by a generating company to a distribution licensee, and for transmission, wheeling and retail sale of electricity. The Appropriate Commission is guided by certain principles while determining the tariff applicable to power generating companies which include, among other things, principles and methodologies specified by the CERC for tariff determination, safeguarding consumer interest and other multiyear tariff principles and the National Electricity Policy (the "**NEP**") and the applicable Tariff Policy; and

(ii) Alternatively, tariff may be determined through the transparent process of bidding in accordance with the guidelines issued by Government of India and in terms of Section 63 of the Electricity Act, the Appropriate Commission shall adopt such tariff.

National Electricity Plan, for the period 2022 -32 ("NEP")

The National Electricity Plan (Volume I: Generation), for the period of 2022-32, was notified by the CEA in May 2023 ("**NEP**"). The key highlights include, among other things, the following:

(i) the estimated installed capacity for the year 2026-27 is 609,591 MW (comprising of 336,553 MW renewable energy based capacity and 273,038 MW of conventional capacity);.

(ii) The target installed capacity for the year 2031-32 is estimated to be 900,422 MW (comprising of 304,147 MW of conventional capacity and 596,275 MW of renewable based capacity); and

(iii) The estimated total capacity addition is in line with the target of the country to achieve a non-fossil based installed capacity of around 500 GW by the year 2029-30.

Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2020

The CERC has announced the Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2020 (the "**CERC Tariff Regulations**") which supersede the regulations issued in 2017. The Tariff Regulations govern the determination of tariff, for a grid connected generating station or a unit thereof commissioned during the 'control period' (being a period from July 1, 2020 to March 31, 2023 (the "**Control Period**"). The CERC Tariff Regulations apply to cases where tariff for a grid connected generating station or a unit thereof commissioned during the Control Period and based on renewable energy sources, is to be determined by the CERC in accordance with Section 62 read with Section 79 of the Electricity Act, as well as Section 4 of the CERC Tariff Regulations, as may be applicable. The CERC Tariff Regulations further lay down the criteria which should be taken into consideration by CERC while determining the tariff for the sale of electricity generated from renewable sources. CERC will determine the generic tariff on the basis of petition at least one month in advance at the beginning of each year of the Control Period.

Central Electricity Regulatory Commission (Fees and Charges of Regional Load Despatch Centre and The other related matters) Regulations, 2019

The CERC notified the Central Electricity Regulatory Commission (Fees and Charges of Regional Load Despatch Centre and other related matters) Regulations, 2019 (the "**CERC RLDC Regulations**") on April 5, 2019 and shall be applicable during the control period from April 1, 2019 to March 31, 2024 for determination of fees and charges to be collected by RLDCs from the generating companies, distribution licensees, inter-state transmission licensees, buyers, sellers and inter-state trading licensees and any other users. The CERC RLDC Regulations also sets out the registration process and functions for RLDCs or NLDCs, application process for determination of fees and charges, computation of capital cost, additional capitalization and decapitalization, debt – equity ratio, fees and charges structure, computation and recovery of fees and charges and performance linked incentives.

Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2023 ("Grid Code, 2023")

On May 29, 2023, the CERC notified the CERC (Indian Electricity Grid Code) Regulations, 2023 ("**Gird Code, 2023**"). The Grid Code, 2023 lays down a single set of technical and commercial rules, encompassing all the utilities connected to/or using the interstate transmission system. The Grid Code ,2023 also lays down the rules, guidelines and standards to be followed for planning, developing, maintaining and operating the power systems, in the most secure, reliable, economic and efficient manner. The Grid Code, 2023 require the wind and solar power generators to forecast and schedule their power generation on a day ahead basis. Further, the Grid Code, 2023, read along with Electricity (Promotion of Generation of Electricity from Must-Run Power Plant) Rules, 2021, provides a 'must-run' status to all solar and wind power plants and exempts such power plants from 'merit order dispatch' principles.

Apart from the provisions relating to the roles of various statutory bodies, the Grid Code, 2023, contains provisions pertaining to the reliability and adequacy of resources, technical and design criteria for connectivity to the grid, integration of renewable energy sources and cyber security considerations.

Central Electricity Regulatory Commission (Open Access in Inter-State Transmission) Regulations, 2008 (the "CERC Open Access Regulations")

The CERC Open Access Regulations for inter-state transmission provide for a framework which not only facilitates traditional bilateral transaction (negotiated directly or through electricity traders), but also cater to collective transactions discovered in a power exchange through anonymous, simultaneous competitive bidding by sellers and buyers. Applicable to short term open access transactions up to one month as a time, the emphasis of the CERC Open Access Regulations is on scheduling rather than reservation to ensure that the request of an open access customer is included in the despatch schedules released by RLDCs. Further, certain types of transmission services by payment of transmission charges (to be levied in rupees per MWH) shall be available to open access customers based on the type of transactions, i.e. bilateral or collective. In addition to transmission charges, certain operating charges shall also be levied. The CERC Open Access Regulations enable entities connected to inter-state transmission as well as intra-state transmission and distribution system to purchase power from a source other than the incumbent distribution licensee situated outside the relevant State.

On December 12, 2019, CERC notified the CERC (Open Access in Inter-State Transmission) (Sixth Amendment) Regulations, 2019. By way of this amendment, certain changes to provisions relating to intra-day transaction or contingency transaction, real time transactions, procedure for scheduling of transaction in real-time market were introduced.

On April 1, 2022, CERC approved the procedure for short term open access in inter-state transmission system through national open access registry as set out in CERC (Open Access in Inter-State Transmission) (Fifth Amendment) Regulations, 2018 dated January 2, 2019 and the same shall be effective from the date of this amendment.

Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 ("GNA Regulations")

The CERC notified the GNA Regulations on June 7, 2022, in order to provide for a regulatory framework to facilitate non-discriminatory open access to licensees, generating companies and consumers for the use of the inter-state transmission system through general network access along with a consolidation of prior regulations. The GNA Regulations repealed the CERC (Grant of Connectivity, Long-Term Access and Medium-Term Open Access in Inter-State Transmission and related matters) Regulations, 2009 along with the detailed procedures of central transmission utility under clause (1) of Regulation 27 of the CERC (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-state Transmission and related matters) Regulations, 2009.

These regulations set out the application procedure for grant of connectivity with or grant of access to the inter-State transmission system where designated nodal agencies are responsible for the grant. Along with the Electricity (Promoting Renewable Energy Through Green Open Access) Rules, 2022 these regulations create an application process for general network access for renewable energy generators and consumers.

On April 1, 2023 the CERC notified the CERC (Connectivity and General Network Access to the Inter-State Transmission System) (First Amendment) Regulations, 2023, which among other changes, introduces Regulation 11A introducing conditions to be fulfilled by a connectivity grantee after the grant of connectivity and general network access.

Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020 ("**2020 ISTS Charges Regulations**")

The 2020 ISTS Charges Regulations shall come into effect from November 11, 2020 and have replaced the CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010. The 2020 ISTS Charges Regulations lays down the details and mechanism applicable to all designated ISTS customers, inter-state transmission licensees, NLDC, RLDC, SLDCs and regional power committees in relation to inter-state transmission charges and losses. In accordance with the order dated August 5, 2020, issued by the MoP, (in supersession of its previous orders dated February 13, 2018 and November 6, 2019), no inter-state transmission charges and losses for the use of ISTS network is payable for the electricity generated from power plants for a period of 25 years from the date of commissioning of power plants which meet the following criteria:

(i) power plants using wind, solar including the wind-solar hybrid projects with or without storage commissioned till June 30, 2023 for sale of power to entities having RPO irrespective of whether the power is within RPO or not, provided that in case of distribution licensees, the power has been competitively procured under the guidelines issued by central government.

(ii) solar photo-voltaic power plants commissioned under the Ministry of New and Renewable Energy's Central Public Sector Undertaking Scheme Phase-II dated March 5, 2019.

(iii) solar photo-voltaic power plants commissioned under SECI manufacturing linked tender dated June 25, 2019 for sale to entities having RPO, irrespective of whether power is within RPO or not.

On February 7, 2023, the CERC notified the CERC (Sharing of Inter-State Transmission Charges and Losses) (First Amendment) Regulations, 2023. By way of this amendment certain principal regulations inter alia the principles of sharing transmission charges, components and sharing of national component, components and sharing of regional component, transmission deviations. Amongst other modifications under this amendment, the bills for sharing of transmission charges shall be raised on Drawee DICs and the settlement of the transmission charges shall be made in terms of the PPA or as per mutual agreement.

The Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022 (the "REC Regulations")

The CERC notified the REC Regulations on May 9, 2022. The REC Regulations aim at the development of market for power from renewable energy sources by issuance of transferable and saleable credit certificates (renewable energy certificates or RECs). Under the REC Regulations, renewable energy generating stations, captive generating stations, open access consumers and distribution licensees can issue RECs and the certificates remain valid till they are redeemed for an indefinite period. One REC is equivalent to 1 megawatt-hour energy generated from renewable energy generator and injected into the grid.

The CERC has nominated the National Load Despatch Centre as the central agency to perform the functions, including, amongst other things, registration of eligible entities, issuance of certificates, maintaining and settling accounts in respect of certificates, acting as repository of transactions in certificates and such other functions incidental to the implementation of REC mechanism as may be assigned by the CERC.

Net Metering Regulations

These regulations have been formulated by various states to promote the generation of electricity from renewable energy sources in respect of the grid connected solar rooftop photovoltaic systems. These regulations regulate the supply of excess electricity from an eligible consumer allowing the consumer to export the excess quantum of electricity produced from his premises to the distribution licensee. Under these regulations, the eligible consumer can avail the benefit of the excess quantum supplied to be carried forward to the next billing cycle as credited units of electricity.

Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Wind Solar Hybrid Projects ("Hybrid Project Competitive Bidding Guidelines")

The Ministry of Power has issued the Hybrid Project Competitive Bidding Guidelines on August 21, 2023. These guidelines supersede the previous competitive bidding guidelines issued by the MoP in 2017 and 2020 in this regard. The Hybrid Project Competitive Bidding Guidelines aim to, *inter-alia,* promote competitive procurement of electricity from grid connected wind solar hybrid projects by distribution licensees, facilitate renewable capacity addition, transparency and fairness in the procurement process and provide a risk-sharing framework among stakeholders. Bidders are required to submit bids within a range of two to five percent of the lowest tariff bid (the L1 bid). According to the guidelines, the procurer can purchase excess energy generated beyond the maximum capacity utilization factor (CUF) at the PPA tariff price. Projects with up to 1,000 MW capacities are now required to commence power supply within 24 months of signing the PPA, while projects exceeding the 1,000 MW threshold have been granted a timeline of 30 months from execution of PPA. Further, the standard tenure of a PPA has been fixed at 20 years. The revised guidelines have also incorporated penalties for project delays. In cases where the project is delayed by more than six months from the scheduled commissioning date, the contracted capacity may be reduced. The Hybrid Project Competitive Bidding Guidelines extend to all forthcoming wind, solar and hybrid power projects.

Guidelines for Development of Onshore Wind Power Projects, 2016 ("**MNRE Guidelines**")

The MNRE initially issued guidelines for orderly growth of wind power sector, which have been revised from time to time. The MRNE Guidelines aim to facilitate the development of wind power projects in an efficient, cost effective and environmentally benign manner, taking into account the requirements of project developers and state and national imperatives. These guidelines provide, amongst others, provisions for site selection and feasibility, type certification and quality assurance, grid connectivity, micrositing, metering and real time monitoring.

Renewable Purchase Obligations

The Electricity Act and the Tariff Policy require the SERCs to specify, for the purchase of electricity from renewable sources, a percentage of the total consumption of electricity within the area of a distribution licensee. RPOs are required to be met by obligated entities (distribution licensees, captive power plants and open access consumers) by purchasing renewable energy, either by renewable energy power producers or by purchasing RECs. In the event of default by an obligated entity, the SERCs may direct the obligated entity to pay a penalty or to deposit an amount determined by the relevant SERC, into a fund to be utilized for, among others, the purchase of renewable energy certificates.

Ujjwal Discom Assurance Yojana ("UDAY")

UDAY scheme for Operational and Financial Turnaround of Power Distribution Companies, is a scheme formulated by the MoP, Government of India, by way of an office memorandum dated November 20, 2015 with an objective to improve the operational and financial efficiency of DISCOMs. The scheme is applicable only to state-owned DISCOMs, including combined generation, transmission and distribution undertakings.

National Action Plan on Climate Change

The National Action Plan on Climate Change (the "**NAPCC**") issued by the Government of India in 2008 has recommended that the national renewable energy generation standard be set at 5% of total grid purchase and that it be increased by 1% each year for 10 years. SERCs can set higher percentages than this minimum at each point in time. NAPCC also recommends imposition of penalty under the Electricity Act in case of utilities falling short to meet their Renewable Standard Obligations.

National Wind Mission

In order to boost electricity generation from on-shore and off-shore wind sources, ensure certainty for stakeholders and capacity building, the MNRE formulated the National Wind Mission as part of the Twelfth Five Year Plan, which provides for, amongst other, land allocation mechanisms, tariff and financing mechanisms.

Integrated Energy Policy 2006

The Integrated Energy Policy, 2006, (the "**Policy**") is a report of an expert committee constituted by the Government of India, to explore alternative technologies and possible synergies that would increase energy system efficiency and meet the requirement for energy services. The aims and objectives of this Policy include, amongst others, providing appropriate fiscal policies to take care of externalities, tax measures, transparent and targeted subsidies, promoting energy efficiency, providing incentive for renewable energy production by linking the incentive to not just the outlay but also the output. The Policy also provides for the respective power regulators to mandate feed-in-laws for renewable energy, as may be appropriate and as provided under the Electricity Act. With respect to wind power, the Policy provides that where cultivations are not affected, a wind turbine installation should be permitted on an agricultural land without requiring its conversion into non-agricultural land.

State Level Policies, Guidelines for Promotion and Establishment of Renewable Energy Projects

Various states, from time to time, have announced administrative policies relating to wind and solar power projects and the matters relating thereto. Typically, these state policies are framed by nodal agencies responsible for development of renewable energy and energy conservation in the respective states. These policies provide for, among others, the incentives of setting up of wind and or solar power projects in the relevant states, procedure and approvals required for setting up of wind and solar power projects within the state, regulation of grid integration, connectivity and security, and tariff determination.

Environmental Laws

The Central Pollution Control Board of India ("**CPCB**"), a statutory organisation established in 1974 under the Ministry of Environment, Forest and Climate Change ("**MoEF&CC**"), is responsible for setting the standards for maintenance of clean air and water and providing technical services to the MoEF&CC.

CPCB has classified industrial sectors under the red, orange, green or white categories. The newly introduced white category pertains to those industrial sectors which are practically non-polluting, including solar power generation through photovoltaic cells, wind power projects of all capacities and mini hydroelectric power. In relation to the white category of industries, only intimation to the relevant SPCB is required, and there is no requirement to obtain a consent to operate for this category. Certain environmental laws which may be applicable to us due to the nature of our business, include:

(i) Water (Prevention and Control of Pollution) Act, 1974;

(ii) Air (Prevention and Control of Pollution) Act, 1981;

(iii) The Environmental Impact Assessment Notification, 2006; and

(iv) Hazardous and Other Wastes (Management & Transboundary Movement) Rules 2016.

Industrial and Labour Laws

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws which may be applicable due to the nature of our business activities:

(i) Contract Labour (Regulation and Abolition) Act, 1970;

(ii) Employees' Provident Funds and Miscellaneous Provisions Act, 1952;

(iii) The Factories Act, 1948;

(iv) The Employees State Insurance Act, 1948;

(v) Minimum Wages Act, 1948;

(vi) Payment of Bonus Act, 1965;

(vii) Payment of Gratuity Act, 1972;

(viii) Payment of Wages Act, 1936;

(ix) Maternity Benefit Act, 1961;

(x) Industrial Disputes Act, 1947;

(xi) Employer's Liability Act, 1938;

(xii) Employees' Pension Scheme, 1995;

(xiii) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

(xiv) Industrial Employment (Standing Orders) Act, 1946;

(xv) State legislations under Shops and Commercial Establishments Act ;

(xvi) Inter-State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1976; and

(xvii) State legislations on Tax on Professions, Trades, Callings and Employments of relevant states.

Additionally, there are certain legislations which have not been completely implemented yet, but seek to replace certain of the existing labour laws mentioned above. The Code on Wages, 2019, seeks to consolidate and amend certain exiting labour laws relating to wages and The Code on Social Security, 2020 seeks to amend and consolidate laws relating to social security with the goal to extend social security to all employees and workers either in the organised or unorganised or any other sectors. The Code on Wages, 2019 has been notified in the official gazette by the Central Government on December 18, 2020 to the extent of certain provisions governing the constitution and functions of the central advisory board under such Code. Additionally, the Code on Social Security, 2020 has been notified to the extent of Section 142 of the Code, in relation to the application of the Aadhaar scheme. Further, certain provisions of the Code on Social Security, 2020 in relation to the Employees' Pension Scheme, 1995, have come into force with effect from May 3, 2023.

The Occupational Safety, Health and Working Conditions Code, 2020 seeks to consolidate and amend the laws regulating the occupational safety, health and working conditions of the persons employed in an establishment; and The Industrial Relations Code, 2020 seeks to consolidate and amend the laws relating to trade unions, conditions of employment in industrial establishment or undertaking, investigation and settlement of industrial disputes.

Shops and Establishments legislations in various states

The provisions of various shops and establishments legislations, as applicable in the states in which our establishments are set up, regulate the conditions of work and employment in shops and commercial establishments, and generally prescribe obligations in respect of, amongst others, registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work.

Intellectual Property Laws

Certain laws relating to intellectual property rights such as trademarks protection under the Trade Marks Act, 1999 (the "**Trade Marks Act**") are applicable to us.

The Trade Marks Act provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description.

Other Indian laws

In addition to the above, we are also governed by the real estate property laws, relevant central and state tax laws and other applicable laws and regulations imposed by the central and state government for our day to day business and operations.

REGULATORY APPROVALS

IndiGrid and the Portfolio Assets are required to obtain consents, licenses, registrations, permissions and approvals for carrying out their present business activities. Such approvals include approvals for registration as an infrastructure investment trust, transmission licenses, consents, licenses, registrations, permissions and approvals under the Electricity Act, 2003 and regulations made thereunder, approvals from the telegraph authority, energisation approvals from the Central Electricity Authority, aviation clearances from the Airport Authority of India, no objection certificates from the Ministry of Defence, certain environmental approvals and clearances and tax related approvals. There are certain other consents, licenses, registrations, permissions and approvals that the Portfolio Assets obtain for our business, which include, labour related approvals, approvals under the shops and establishments acts of various states, power line crossing approvals, railway line crossing approvals and other approvals. The requirement for such approvals for a particular project undertaken by us may vary based on factors such as the legal requirement in the state in which the project is being undertaken, the size of the projects undertaken and the type of project. Further, as the obligation to obtain such approvals arises at various stages of construction or completion of our projects and related assets, applications are filed and the necessary approvals are obtained at the appropriate stage.

Other than as stated in this section, IndiGrid and the Portfolio Assets have obtained necessary consents, licenses, permissions, registrations and approvals from various governmental, statutory and regulatory authorities, required for the registration as an infrastructure investment trust and for carrying out its present business, as applicable. Certain material consents, licenses, registrations, permissions and approvals that are required to be obtained by IndiGrid and the Portfolio Assets for undertaking their business may elapse from time to time in their normal course and they make applications to the relevant Central or State government authorities for renewal of such consents, licenses, registrations, permissions and approvals or may have made such applications (wherever expedient and prudent) for renewal of such consents, licenses, registrations, permissions and approvals. In view of the approvals listed below, IndiGrid can undertake the Issue as well as its current business, as applicable, and no further major approvals from any governmental or regulatory authority under the Electricity Act, 2003, or the rules made thereunder are required to undertake the Issue or to continue its business, as applicable. Unless otherwise stated, these approvals are all valid as on date of this Preliminary Placement Document.

I. Approvals in relation to the Issue

1. In-principle approval from the BSE dated December 5, 2023.

2. In-principle approval from the NSE dated December 5, 2023.

II. Approvals for IndiGrid

1. Certificate of registration bearing number IN/InvIT/16-17/0005 dated November 28, 2016 with SEBI as an infrastructure investment trust.

III. Approvals received by BDTCL

1. Transmission license dated October 12, 2011 issued by the CERC for building, maintaining and operating transmission lines for six interstate transmission systems, being, (i) Jabalpur to Bhopal; (ii) Bhopal to Indore; (iii) Bhopal to Bhopal; (iv) Aurangabad to Dhule; (v) Dhule to Vadodara; and (vi) Dhule to Dhule.

2. Tariff order dated October 28, 2011 issued by the CERC under Section 63 of the Electricity Act for adoption of transmission charges in respect of the transmission system developed by BDTCL.

3. Approval dated November 25, 2010 issued by the Ministry of Power, Government of India under Section 68 of the Electricity Act for the transmission project set up by BDTCL.

4. Approval dated January 29, 2013 issued by the Ministry of Power, Government of India, under Section 164 of the Electricity Act for six interstate transmission systems, being, (i) Jabalpur to Bhopal; (ii) Bhopal to Indore; (iii) Bhopal to Bhopal; (iv) Aurangabad to Dhule; (v) Dhule to Vadodara; and (vi) Dhule to Dhule.

5. Approvals issued by the CEA, for energisation of (i) Agaria Bhopal sub-station, (ii) 400 kV D/C Bhopal-Bhopal transmission line; (iii) 765 kV S/C Bhopal-Indore transmission line; (iv) 765 kV S/C Dhule-Aurangabad transmission line; (v) 765 kV S/C Dhule-Vadodara transmission line; (vi) 765 kV S/C Jabalpur-Bhopal transmission line; and (vii) 400 kV D/C Dhule-Dhule transmission line.

IV. Approvals received by JTCL

1. Transmission license dated October 12, 2011 issued by the CERC to establish a transmission project to strengthen the western and northern region and building, owning, maintaining and operating transmission lines from (i) Dharamjaygarh to Jabalpur; and (ii) Jabalpur to Bina.

2. Tariff order dated October 28, 2011 issued by the CERC under Section 63 of the Electricity Act for adoption of transmission charges in respect of the transmission system developed by JTCL.

3. Approval dated November 25, 2010 issued by the Ministry of Power, Government of India under Section 68 of the Electricity Act for the transmission project set up by JTCL.

4. Approval dated June 5, 2013 issued by the Ministry of Power, Government of India under Section 164 of the Electricity Act for (i) 765 kV D/C Dharamjaygarh to Jabalpur transmission line; and (ii) 765 kV S/C Jabalpur to Bina transmission line.

5. Approvals issued by the CEA, for energisation of (i) the 765 kV S/C Jabalpur to Bina transmission line from the 765/400 kV pooling station at Jabalpur to the 765/400 kV substation at Bina; and (ii) the 765 kV D/C Dharamjaygarh to Jabalpur transmission line from the 765/400 kV pooling station at Jabalpur to the 765/400 kV pooling station at Dharamjaygarh.

V. Approvals received by MTL

1. Transmission license dated November 23, 2015 issued by the CERC for building, owning, operating and maintaining transmission lines from (i) Maheshwaram to Mehboobnagar; and (ii) Nizamabad to Yeddumailaram (Shankarpalli).

2. Tariff order dated November 24, 2015 issued by the CERC under Section 63 of the Electricity Act for adoption of transmission charges in respect of the transmission system developed by MTL and corrigendum to such tariff order dated June 12, 2017.

3. Approval dated July 27, 2015 issued by the Ministry of Power, Government of India under Section 68 of the Electricity Act for the transmission project set up by MTL.

4. Approval dated September 20, 2016 issued by the Ministry of Power, Government of India under Section 164 of the Electricity Act for (i) 400 kV D/C Maheshwaram to Mehboobnagar transmission line; and (ii) 400 kV D/C Nizamabad to Yeddumailaram (Shankarpalli) transmission line.

5. Approvals issued by the CEA, for energization of (i) 400 kV line bays extension for 400 kV D/C Nizamabad to Yeddumailaram (Shankarpalli) transmission line; (ii) 400 kV D/C Nizamabad to Yeddumailaram (Shankarpalli) transmission line; (iii) 400 kV D/C Maheshwaram to Mehaboobnagar transmission line; and (iv) 400 kV line bays extension at Veltoor (Mehboobnagar) station.

6. Final approval from the Ministry of Road Transport & Highway, Hyderabad for the installation of 400 kV Twin transmission lines from Nizamabad to Shankarpalli overhead crossing in between Km 495 to Km 496.

VI. Approvals received by PKTCL

1. Transmission license dated May 30, 2014 issued by the CERC to establish a transmission project to strengthen the eastern system and building, owning, operating and maintaining transmission lines from (i) Kharagpur to Chaibasa; and (ii) Purulia to Ranchi.

2. Tariff order dated August 20, 2014 issued by the CERC under Section 63 of the Electricity Act for adoption of transmission charges in respect of the transmission system developed by PKTCL.

3. Approval dated May 29, 2013 issued by the Ministry of Power, Government of India under Section 68 of the Electricity Act for the transmission project set up by PKTCL.

4. Approval dated May 7, 2015 issued by the Ministry of Power, Government of India under Section 164 of the Electricity Act for (i) 400 kV D/C Kharagpur to Chaibasa transmission line; and (ii) 400 kV Purulia to Ranchi transmission line.

5. Approvals issued by the CEA, for energisation of (i) 400 kV Puralia to Ranchi D/C transmission line; and (ii) 400 kV Kharagpur to Chaibasa D/C transmission line.

6. Final approval from Ministry of Environment, Forest and Climate Change for diversion of (i) 2.696 ha of forest land under Rairangpur Forest Division in the Mayurbanganj district for setting up the 400 kV D/C Kharagpur-Chaibasa transmission line; and (ii) 59.501 ha forest land in Ranchi and Khunti district of Jharkhand for setting up the 400 kV D/C Purulia-Ranchi transmission line.

VII. Approvals received by RTCL

1. Transmission license dated July 31, 2014 issued by the CERC for building, owning, operating and maintaining the

transmission system comprising the RTCL Kota to Shujalpur transmission line.

2. Tariff order dated July 23, 2014 issued by the CERC under Section 63 of the Electricity Act for adoption of transmission charges in respect of the transmission system to be developed by RTCL.

3. Approval dated May 16, 2013 issued by the Ministry of Power, Government of India under Section 68 of the Electricity Act for the transmission project set up by RTCL.

4. Approval dated January 7, 2015 issued by the Ministry of Power, Government of India under Section 164 of the Electricity Act for the 400 kV D/C RTCL Kota to Shujalpur transmission line.

5. Approvals issued by the CEA, for energisation of the 400 kV D/C (Twin Moose) RTCL Kota to Shujalpur transmission line.

6. Stage II Forest approvals from Ministry of Environment and Forest for diversion of 27.37 hectare of forest land for putting up the 400 kV D/C transmission line from RTCL to Sujalpur and for cutting 217 trees and loping 231 trees.

VIII. Approvals received by PTCL

1. Transmission license dated July 14, 2014 issued by the CERC for establishing the transmission system comprising 2x500 MVA, 400/220 kV substation and LILO of both circuits of Patiala - Kaithal 400 kV ("**PTCL Project**").

2. Tariff order dated August 5, 2014 and corrigendum to the order dated May 19, 2017 issued by the CERC under Section 63 of the Electricity Act for adoption of transmission charges in respect of the transmission system developed by PTCL.

3. Approval dated May 16, 2013 issued by the Ministry of Power, Government of India under Section 68 of the Electricity Act for the transmission system set up by PTCL.

4. Approval dated March 21, 2016 issued by the Ministry of Power, Government of India under Section 164 of the Electricity Act for the PTCL Project.

5. Approvals issued by the CEA, for energisation of the LILO of 400 kV D/C Patiala-Kaithal line at 400/220 kV GIS Patran substation of PTCL and certain modules at the GIS substation of PTCL.

IX. Approvals received by NTL

1. Transmission license dated November 14, 2014 issued by the CERC for establishing the transmission system comprising comprising (i) Jalandhar – Samba 400 kV D/C; (ii) LILO of both circuits of Uri- Wagoora 400 kV D/C line at Amargarh (on multi – circuit towers); (iii) Samba – Amargarh 400 kV D/C routed through Akhnoor/Rajouri; and (iv) Establishment of 7x 105 MVA (1ph units), with 400/220 kV GIS sub- station at Amargarh ("**NTL Project**").

2. Tariff order dated December 10, 2014 and corrigendum to the order dated June 12, 2017, issued by the CERC under Section 63 of the Electricity Act for adoption of transmission charges in respect of the transmission system developed by NTL.

3. Approval dated September 19, 2013 issued by the Ministry of Power, Government of India under Section 68 of the Electricity Act for the transmission system set up by NTL.

4. Approval dated September 17, 2015 issued by the Ministry of Power, Government of India under Section 164 of the Electricity Act for the NTL Project.

5. Approvals issued by the CEA, for energisation of (i) 400 kV D/C (Twin Moose) Jalandhar-Samba line; (ii) the 400 kV D/C (Twin Moose) Samba - Amargarh line; (iii) the LILO of both circuits of Uri- Wagoora 400 kV D/C line (line length = 6.82 km) at 400/220 kV GIS sub-station, Srinagar; and (iv) the 400/220 kV GIS sub-station at Amargarh of NTL.

6. Renewed registration of office of NTL under the Shops and Establishments Act, 1954.

X. Approvals received by OGPTL

1. Transmission license dated June 30, 2016 issued by the CERC for establishing the transmission system comprising (i) Jharsuguda (Sundargarh) Rajpur Pool 765 kV D/C line (Hexa Zebra Conductor); and (ii) OPGC-Jharsuguda (Sundargarh) 400 kV D/C (Triple Snowbird Conductor) ("**OGPTL Project**").

2. Tariff order dated May 31, 2016 issued by the CERC under Section 63 of the Electricity Act for adoption of

transmission charges in respect of the transmission system developed by OGPTL.

3. Approval dated June 3, 2015 issued by the Ministry of Power, Government of India under Section 68 of the Electricity Act for the transmission system set up by OGPTL.

4. Approval dated March 6, 2017 issued by the Ministry of Power, Government of India under Section 164 of the Electricity Act for the OGPTL Project.

5. Approval issued by the CEA, for energisation of the 400 kV D/C OPGC-Jharsuguda line and 765 kV D/C Sundergarh-Raipur line.

6. Final approval from South Eastern Central Railway for erection of Jharsuguda (Sundargarh) – Raipur transmission line at Pole No. 622/17-622/19 & in between Kharsia & Jharidhi at AP 96 – AP 97

7. Final approval from the Ministry of Environment and Forests for diversion of (i) 71.761 hectares of forest land for the construction of the Jharsuguda (Sundargarh) Rajpur 765 kV D/C transmission line; (ii) 30.134 hectares of forest land for setting up of the OPGC-Jharsuguda 400 kV D/C transmission line; and (iii) 94.656 hectares of forest land for setting Jharsuguda (Sundargarh) Rajpur 765 kV D/C transmission line.

8. Registration of the office of OGPTL under the Shops and Establishments Act, 1954.

XI. Approvals received by ENICL

1. Transmission license dated October 28, 2010 issued by CERC for establishing the transmission system comprising (i) Bongaigon – Siliguri 400 kV Quad D/C transmission line; and (ii) Purnea- Biharsharif 400 kV Quad D/C transmission line ("**ENICL Project**").

2. Tariff order dated October 28, 2010 issued by CERC under Section 63 of the Electricity Act for adoption of transmission charges in respect of the transmission system developed by ENICL.

3. Approval dated March 25, 2009 issued by the Ministry of Power, Government of India under Section 68 of the Electricity Act for the transmission system set up by ENICL.

4. Approval dated May 10, 2011 issued by the Ministry of Power, Government of India under Section 164 of the Electricity Act for the ENICL Project.

5. Approval issued by CEA, for energization of (i) Bongaigon – Siliguri 400 kV Quad D/C transmission line; and (ii) Purnea- Biharsharif 400 kV Quad D/C transmission line.

XII. Approvals received by JKTPL

1. Transmission license dated October 26, 2010 issued by Haryana Electricity Regulatory Commission for establishing the transmission system comprising (i) 400 kV transmission line from Jharli (Jhajjar) to Kabulpur (Rohtak); (ii) 400 kV transmission line from Kabulpur (Rohtak) to Dipalpur (Sonepat); (iii) single circuit loop in loop out transmission line at 400 kV sub-station Dipalpur of 400 kV double circuit Abdullapur to Bawana line; and (iv) 400 kV/220 kV/ 132 kV sub- station at Kabulpur (Rohtak) and (v) 400 kV/220 kV sub- station at Dipalpur (Sonepat) ("**JKTPL Project**").

2. Approval dated September 8, 2010 issued by the Power Department, Government of Haryana under under Section 68 of the Electricity Act for the transmission system set up by JKTPL.

3. Approval dated December 9, 2010 issued by the Power Department, Government of Haryana under Section 164 of the Electricity Act for the JKTPL Project.

4. Approval issued by CEA, for energization of (i) 400 kV transmission line from Jharli (Jhajjar) to Kabulpur (Rohtak); (ii) 400 kV transmission line from Kabulpur (Rohtak) to Dipalpur (Sonepat); and (iii) 400 kV single circuit loop in loop out transmission line at 400 kV sub-station Dipalpur of 400 kV double circuit Abdullapur to Bawana line for 1125 MW.

XIII. Approvals received by GPTL

1. Transmission license dated September 29, 2016 issued by the CERC for establishing the transmission system "creation of new 400 kV GIS sub-station in Gurgaon and Palwal area as a part of ISTS" on build, own, operate and maintain basis, more specifically comprising (i) Aligarh - Prithala 400 kV D/C HTLS line; (ii) Prithala – Kadarpur 400 kV D/C HTLS line; (iii) Kadarpur-Sohna Road 400 kV D/C HTLS line; (iv) LILO of Gurgaon-Manesar 400 kV D/C Quad line at Sohna Road S/S; (v) Neemrana – Dhonanda 400 kV D/C HTLS line; (vi) 400/220 kV, 2 x 500

MVA Sub-station at Kadarpur; (vii) 400/220 kV, 2 x 500 MVA Sub-station at Sohna Road; (viii) 400/220 kV, 2 x 500 MVA sub-station at Prithala; (ix) Two 400 kV line bays at 400 kV Dhonanda sub-station ("**GPTL Project**").

2. Tariff order dated September 6, 2016 issued by CERC under Section 63 of the Electricity Act for adoption of transmission charges in respect of the transmission system developed by GPTL.

3. Approval dated November 26, 2015 issued by the Ministry of Power, Government of India under Section 68 of the Electricity Act for the transmission system set up by GPTL.

4. Approval dated March 28, 2017 issued by the Ministry of Power, Government of India under Section 164 of the Electricity Act for GPTL.

5. Approval issued by the CEA, for energization of (i) Aligarh Prithala 400 kV D/C HTLS line; (ii) Kadarpur – Sohna Road 400 kV D/C HTLS line; (iii) 400/220 kV, 2 x 500 MVA Sub-station at Sohna Road; (iv) Two 400 kV line bays at 400 kV Dhonanda sub-station; (v) 400/220 kV, 2 x 500 MVA Sub-station at Kadarpur; (vi) Prithala – Kadarpur 400 kV D/C HTLS line; (vii) 400/220 kV, 2 x 500 MVA sub-station at Prithala; (viii) Neemrana – Dhonanda 400 kV D/C HTLS line; and (ix) LILO of Gurgaon-Manesar 400 kV D/C Quad line at Sohna Road S/S.

6. No objection certificate issued by Haryana Water Resources Authority for ground water abstraction for 400 kV GIS Prithla sub-station.

XIV. Approvals received by NER

1. Transmission license dated June 20, 2017 issued by the CERC for establishing the transmission system comprising (i) 132 kV D/C Biswanath Chariyalli– Itanagar Line; (ii) LILO of one ckt of Biswanath Chariyalli – Itanagar 132kV D/C line at Gohpur (AEGCL) and 2 Nos. of Itanagar Bays ; (iii) 400kV D/C Silchar– Misa line; (iv) 400/132 kV Single phase sub-station at Surajmaninagar; (v) 400/132 kV Single phase sub-station at P.K. Bari; (vi) 132kV/D/C AGTPP – P.K. Bari line with line bays at AGTPP and P.K. Bari; (vii) 400 kV D/C Surajmaninagar –P.K. Bari Line; and (viii) 2 400 kV D/C line bays at Palatana GBPP switchyard for termination of Palatana- Surajmaninagar400 kV D/C line ("**NER Project**").

2. Tariff order dated June 12, 2017 issued by the CERC under Section 63 of the Electricity Act for adoption of transmission charges in respect of the transmission system developed by NER.

3. Approval dated February 7, 2017 issued by the Ministry of Power, Government of India under Section 68 of the Electricity Act for the transmission system set up by NER.

4. Approval dated August 31, 2018 issued by the Ministry of Power, Government of India under Section 164 of the Electricity Act for NER.

5. Approval issued by the CEA, for energization of (i) 400/132 kV Single phase sub-station at Surajmaninagar; (ii) 400/132 kV Single phase sub-station at P.K. Bari; (iii) 2 400 kV D/C line bays at Palatana GBPP switchyard for termination of Palatana- Surajmaninagar 400 kV D/C line; (iv) line bays at AGTPP and P.K. Bari; and (v) 400 kV D/C Surajmaninagar –P.K. Bari Line; and (vi) 132kV/D/C AGTPP – P.K. Bari line.

6. Declaration of Commercial Operations, dated May 11, 2021 , issued in relation to (i) Biswanath Chariyalli – Itanagar 132kV D/C transmission Line; ii) 2 nos 132kV line bays at Itanagar for termination of Biswanath Chariyalli; and (iii) Line bays at Itanagar for terminating the Biswanath Chariyalli (Powergrid) – Itanagar line of the NER Project

XV. Approvals received by PrKTCL

1. Transmission license dated September 15, 2008 issued by the CERC to construct, maintain and operate the transmission assets comprising (i) 400 kV S/C Parbati-Koldam transmission line-I (Quad Moose Conductor); (ii) 400 kV S/C Parbati-Koldam transmission line-II (Quad Moose Conductor); (iii) 400 kV D/C Parbati-Koldam transmission line (Quad Moose Conductor); (iv) 400 kV D/C Koldam-Ludhiana transmission line (Triple Snowbird Conductor) ("**PrKTCL Project**").

2. Tariff order dated January 15, 2016 issued by the CERC under Section 63 of the Electricity Act for adoption of transmission charges in respect of the transmission system developed by PrKTCL.

3. Approval dated November 14, 2008 issued by the Ministry of Power, Government of India under Section 68 of the Electricity Act for the transmission system set up by PrKTCL.

4. Approval dated June 4, 2009 issued by the Ministry of Power, Government of India under Section 164 of the Electricity Act for PrKTCL.

5. Approval issued by the CEA, for energization of (i) 400 kV S/C Parbati-Koldam transmission line-I (Quad Moose Conductor); (ii) 400 kV S/C Parbati-Koldam transmission line-II (Quad Moose Conductor); (iii) 400 kV D/C Parbati-Koldam transmission line (Quad Moose Conductor); and (iv) 400 kV D/C Koldam-Ludhiana transmission line.

XVI. Approvals received by KTL

1. Transmission license dated November 17, 2016 issued by the CERC under Section 14 of the Electricity Act, to construct, maintain and operate the transmission assets comprising (i) LILO of one ckt of Khandwa-Rajgarh 400 kV D/C line at Khargone TPP (ii) Khargone TPP Switchyard-Khandwa pool 400 kV D/C (Quad) line (iii) Khandwa Pool-Indore 765 kV D/C line (iv) Khandwa Pool-Indore 765 kV D/C line (v) Establishment of 765/400 kV, 2x1500 MVA pooling station at Khandwa (vi) 2 nos. of 765 kV line bays and 7 X 80 MVAR Switchable line reactors (1 unit as spare) along with 800 Ω NGR and its auxiliaries for Khandwa Pool-Dhule 765 kV D/C at Dhule 765/400 kV sub-station of M/s Bhopal Dhule Transmission Company Limited.

2. Tariff order dated November 11, 2016 issued by the CERC under Section 63 of the Electricity Act for adoption of transmission charges in respect of the transmission system developed by KTL.

3. Approval dated February 2, 2016 issued by the Ministry of Power, Government of India under Section 68 of the Electricity Act for the transmission system set up by KTL.

4. Approval dated July 3, 2017 issued by the Ministry of Power, Government of India under Section 164 of the Electricity Act for KTL.

5. Energisation approval of electrical inspector under Regulation 43 of Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010.

6. Certificate of Trial Operation issued by Power System Operation Corporation Limited for each of the elements of the KTL Project.

7. Final approval for diversion dated June 27, 2021, issued by the Ministry of Environment, Forest and Climate Change for the KTL Project.

8. PTCC route approvals dated November 30, 2017 and November 6, 2017, issued by Power Telecommunication Coordination Committee in relation to the KTL Project.

XVII. Approvals received by RSTL

1. Transmission license dated August 24, 2011 issued by CERC.

2. Approval for energization of 765 kV line under Regulation 43 of CEA, dated June 29, 2014.

3. Approval dated November 24, 2011 issued by the Ministry of Power, Government of India under Section 164 of the Electricity Act for RSTL.

4. No objection certificate dated June 27, 2014, from Aviation Authority of India to the proposed 765 kV Raichur – Sholapur Transmission Line.

5. Tariff adoption order dated August 12, 2011 issued by the CERC.

XVIII. Approvals received by Kallam

1. Approval by CEA under section 68(1) of the Electricity Act, 2003 for the transmission scheme "Transmission system for evacuation of power from RE projects in Osmanabad area (1 GW) in Maharashtra" on BOOM basis by REC Power Development and Consultancy Limited.

2. Transmission license dated November 18, 2022, issued by CERC for establishment of (i) 2 x 500 MVA, 400/220 kV substation near Kallam PS (ii) 1 x 125 MVAr bus reactor at Kallam PS 400 kV reactor bay-1 (iii) LILO of both circuits of Parli (PG) - Pune (GIS) 400kV D/c line at Kallam PS and (iv) Provision of new 50MVAr switchable line reactor.

3. Tariff order dated June 1, 2022, issued by the CERC under Section 63 of the Electricity Act for adoption of transmission charges in respect of the transmission system to be established by Kallam.

4. Approval dated June 8, 2022 issued by the CEA under Section 164 of the Electricity Act for LILO of both circuits of Parli (PG) – Pune (GIS) 400kV D/c line at Kallam PS.

XIX. Approvals received by certain Solar Assets

1. Commissioning certificates and declarations of commercial operations certifying successful commissioning of the projects held by certain Solar Assets.

2. Labour licenses obtained under the Contract Labour (Regulation & Abolition) Act, 1970, for registration as principal employers and contractors.

3. No-objection certificates issued by the relevant water resources authorities for abstraction and extraction of ground water.

4. Registration of factories under the Factories Act, 1948, as applicable.

5. Energization approval under Central Electricity Authority (Measures relating to Safely and Electrical supply) Regulations, 2010, for energizing the electrical equipment comprising of the solar power plants.

6. Fire no objection certificates from the relevant fire department of the respective states.

7. Letter of registration/allotment in favor of certain of the Solar Assets for setting up the solar power project issued by RRECL, UPNEDA or Energy and Petrochemicals Department, Gujarat, as the case may be.

8. Certain Solar Assets have obtained interconnection approvals for interconnecting the sub-station to the solar project.

XX. Approvals applied for, but not yet received

Except as disclosed below, there are no approvals required by IndiGrid and Portfolio Assets for which applications have been made, but approvals have not been received as on the date of this Preliminary Placement Document:

1. ***PKTCL***

   (a). No objection certificate from Director of OPS (ATS) for construction of 400 kV D/C Purulia-Ranchi Transmission Line in relation to the application made on October 15, 2016.

   (b). No objection certificate from Senior Air Traffic Controller, Airforce Station for installation of Kharagpur-Chaibasa Transmission Line in relation to the application made on February 9, 2016.

   (c). No objection certificate from Senior Air Traffic Controller, Airforce Station for construction of 400 kV Kharagpur-Chaibasa Transmission Line in relation to the application made on November 3, 2015.

2. ***NTL***

   (a). No objection certificate from the Air Head Quarters for the construction of the Uri – Wagoora transmission line in relation to the application made by NTL dated January 08, 2018.

   (b). The final approval from the Air Headquarters for the construction of the 10 towers at s.no 667,673,675,676, 680, 681,682,686,687 and 688 in relation to the 400 kV D/C Jalandhar to Samba and Samba to Amargarh transmission line.

3. ***OGPTL***

   (a). Approval from Ind Bharat Energy Utkal Limited ("**IBEUL**") for approval for railway line crossing of the 400 kV OPGC-Jharsuguda transmission line with the non – electrified U/C railway line of IBEUL in village Negipali.

   (b). Final approval from South Eastern Central Railway for the erection of the OPGC-Jharsuguda transmission line over the railway line crossing in between Jharsuguda & IB at KM 522/7-522/10

   (c). Final approval from South Eastern Central Railway for erection of Jharsuguda (Sundargarh) – Raipur transmission line electrical track crossing at AP102 and AP103 in between Dharamjaygarh & Kharsia Railway station

   (d). Final approval from South Eastern Central for erection of the Jharsuguda (Sundargarh) – Raipur transmission line electrical track crossing at chainage 24/200 & 24/250 in between Lara & Talaipalli coal mine at AP-118 – AP 119.

4. ***Solar Assets***

(a). Fire no objection certificates from the relevant fire department of the respective states for certain solar assets.

(b). No-objection certificates issued by the relevant water resources authorities for abstraction and extraction of ground water for certain solar assets.

(c). Energization approval annual inspection reports under Central Electricity Authority (Measures relating to Safely and Electrical supply) Regulations, 2010, for energizing the electrical equipment comprising of the solar power plants for certain Solar Assets.

XXI. Approvals for which applications are yet to be made

(a). IP-1 licenses and other approvals in relation to the proposed business of leasing spare fibre available with certain Portfolio Assets from the installed optical ground wire to certain telecom service providers pursuant to the proposed business development agreements to be executed with Sterlite Interlinks Limited.

(b). The following approvals in respect of Kallam: (i) forest clearance, (ii) wildlife clearance, and (iii) construction approvals.

(c). Energization approval annual inspection reports under Central Electricity Authority (Measures relating to Safely and Electrical supply) Regulations, 2010, for energizing the electrical equipment comprising of the solar power plants for certain Solar Assets.

(d). Stability certificates for certain Solar Assets have expired for which applications are yet to be made.

(e). KBPL is currently in pre-execution stage and the relevant material approvals required, if any, will be obtained in due course.

LITIGATION

Except as stated in this section and on the basis of the below, there are no pending material litigation and actions by regulatory authorities, which are not in the ordinary course of business, in each case against IndiGrid, the Portfolio Assets, the Investment Manager, the Project Manager, or any of their Associates (excluding Associates of the Investment Manager which are affiliates of KKR) and the Trustee, as on the date of this Preliminary Placement Document. Further, except as stated in this section and on the basis of the below, there are no pending material litigation and actions by regulatory authorities which are not in the ordinary course of business against the Sponsor or any of its Associates or the Sponsor Group or Associates of the Investment Manager which are affiliates of KKR.

For the purpose of this section, details of all regulatory actions and criminal matters, that are pending against IndiGrid, the Portfolio Assets, the Investment Manager, the Project Manager, or any of their Associates (excluding Associates of the Investment Manager which are affiliates of KKR) and the Trustee have been disclosed. For the purpose of this section and on the basis of the below, details of all regulatory actions which are not in ordinary course of business and criminal matters that are pending against the Sponsor or any of its Associates or Associates of the Investment Manager, in each case, which are affiliates of KKR have been disclosed (and, for the avoidance of doubt, such Associates exclude IndiGrid, its HoldCos and its Associates, the Project SPVs, the Investment Manager, and the Project Manager and their respective Associates). Furthermore, any matter that is pending involving an amount equivalent to, or more than the amount or threshold as disclosed below, in respect of the Sponsor or any of its Associates or Associates of the Investment Manager, in each case, which are affiliates of KKR, have been disclosed on the basis of the below.

For the Project Manager, the outstanding quantifiable litigation involving the Project Manager and its Associates, in excess of 5% of the total revenue of the Project Manager for the financial year ended March 31, 2023 shall be considered as material outstanding civil litigation of the Project Manager and its Associates. The Project Manager do not have any outstanding litigation (other than the outstanding tax litigation, details of which have been set forth below). For the Investment Manager, the outstanding quantifiable litigation involving the Investment Manager and its Associates (excluding Associates of the Investment Manager which are affiliates of KKR), in excess of 5% of the net worth of the Investment Manager as on March 31, 2023 shall be considered as material outstanding civil litigation of the Investment Manager and its Associates (excluding Associates of the Investment Manager which are affiliates of KKR). The Investment Manager do not have any outstanding civil or criminal litigation (other than the regulatory proceedings, details of which have been set forth below). For such entities which are associates of the Investment Manager and the Project Manager, outstanding quantifiable litigation involving an amount exceeding 5% of the net worth of the Investment Manager as on March 31, 2023 or 5% of the total revenue of the Project Manager for the financial year ended March 31, 2023, whichever is higher, shall be considered as material outstanding civil litigation for such entities.

*The disclosures with respect to material litigations and non-ordinary course regulatory actions relating to the Sponsor and its Associates and the Sponsor Group (other than IndiGrid, its HoldCos and its Associates, the Project SPVs, the Investment Manager, and the Project Manager and their respective Associates), have been made solely on the basis of the public disclosures made by KKR & Co. Inc. ("**KKR & Co.**") in the most recent quarterly report on Form 10-Q filed with U.S. Securities and Exchange Commission on November 9, 2023 relating to the quarter ended September 30, 2023 with respect to all entities, which are consolidated for financial reporting purposes with KKR & Co., which is listed on the New York Stock Exchange. In accordance with applicable securities law and stock exchange rules, KKR & Co., is required to disclose material litigations through applicable securities filings and KKR & Co., and has made no public filings with the SEC after November 9, 2023 which materially changes the disclosures made in that regard in such quarterly report. The threshold for identifying material litigations in such disclosures is based, among other considerations, on management judgment and periodically reviewed thresholds applied by the independent auditor of KKR & Co., in expressing its opinion on the financial statements. Notwithstanding the above, one tax litigation of Esoteric II Pte. Ltd. which may be deemed to be material has also been disclosed for completeness.*

For the Trustee, the total consolidated income for Fiscal 2023 was ₹ 53.95 million and the consolidated net worth (i.e. the total of share capital and consolidated reserves and surplus) was ₹ 89.40 million. Accordingly, in respect of the Trustee, all outstanding civil matters which involve an amount equal to or exceeding ₹ 2.70 million (being 5% of the total consolidated income for Fiscal 2023) have been considered material. In relation to the IndiGrid and Portfolio Assets, all outstanding quantifiable litigation which exceed 5% of the total revenue, for the Fiscal, 2023, for IndiGrid and each such Portfolio Asset have been considered material. Further, all outstanding matters that may have a material impact on IndiGrid or the Portfolio Assets in terms of its business, prospects, financial condition, results of operations or cash flow, have been considered for the purposes of disclosure in this section. Please see below the total revenue of each Portfolio Asset and the corresponding materiality thresholds:

(in ₹ million)

Portfolio Assets			
Sr. No.	**Asset**	**Total revenue**	**Threshold for Materiality Disclosure (5% of total revenue)**
1	BDTCL	2,704.90	135.25
2	JTCL	1,524.58	76.23
3	RTCL	456.76	22.84
4	PKTCL	752.50	37.63

Portfolio Assets			
Sr. No.	**Asset**	**Total revenue**	**Threshold for Materiality Disclosure (5% of total revenue)**
5	MTL	581.25	29.06
6	PTCL	319.88	15.99
7	NRSS	5,224.69	261.23
8	OGPTL	1,609.01	80.45
9	ENICL	1,508.77	75.44
10	GPTL	1,465.82	73.29
11	JKTPL	371.09	18.55
12	PrKTCL	1,385.12	69.26
13	NER	4,221.64	211.08
14	KTL	1,878.09	93.90
15	RSTCPL	373.12	18.66
16	Kallam	-	-
17	IGL	193.38	9.67
18	IGL 1	-	-
19	IGL 2	-	-
20	IGL Solar 1	460.25	23.01
21	IGL Solar 2	481.23	24.06
22	GGEPL	956.06	47.80
23	TSEP	245195.51	9.78
24	UMD	315.51	15.78
25	USUPL	591.70	29.58
26	GSPPL	245.19	12.26
27	PLG	313.47	15.67
28	Solar Edge	1,100.24	55.01
29	TSEG	73.23	3.66
30	TNSPPL	283.54	14.18
31	TRSPL	283.50	14.17
32	TSEC	179.94	9.00
33	TSEN	50.40	2.52
34	TSESPL	6.16	0.31
35	TKSPL	470.33	23.52
36	TSET	157.17	7.86
Other Portfolio Entities			
Sr. No.	**Asset**	**Total revenue**	**Threshold for Materiality Disclosure (5% of total revenue)**
1	Virescent Infrastructure Investment Manager Private Limited	333.92	16.70
2	Virescent Renewable Energy Project Manager Private Limited	23.32	1.17
3	KBPL	-	-

I. Litigation involving India Grid Trust and its Portfolio Assets

A. India Grid Trust

Nil

B. IGL

Other than the matters disclosed in the section entitled "*Litigation – Tax Proceedings*" on page 334, there is no litigation involving IGL.

C. JTCL

Regulatory matters

(i) The Central Electricity Regulatory Commission ("CERC") in its order dated September 2, 2022 ("Order"), in Tariff Petition No. 261/TT/2015 filed by PGCIL, had directed that JTCL is liable to pay transmission charges from (i) October 5, 2014 to June 30, 2015 to PGCIL for one asset; and (ii) November 13, 2014 to June 30, 2015 for another asset.

Aggrieved by the Order, JTCL filed an appeal before the APTEL. The first hearing on the interim application filed for seeking stay on the invoice raised by PGCIL on JTCL ("IA") was held on September 23, 2022. APTEL identified certain discrepancies in the appeal. The IA and appeal were taken up before APTEL on November 15, 2022 for completion of service/pleadings. A hearing was held on January 12, 2023 wherein APTEL directed filing of reply and rejoinder and the Registry was directed to check if any pleadings were left. The amount involved in the matter is Rs. 173.74 million. The matter is currently pending.

Civil matters

Certain persons ("**Petitioners**") have filed separate cases before various courts, against JTCL and certain others ("**Respondents**"), alleging amongst others, (i) damage caused due to the construction or laying of high voltage transmission lines by the Respondents, (ii) land being utilised by the Respondents without acquiring it in accordance with law, and (iii) inadequate compensation paid for cutting of trees in order to lay transmission lines by the Respondents. The Petitioners, by way of these cases have claimed certain compensation from the Respondents. The Respondents have filed their reply with respect of these cases. These matters are currently pending at various stages of adjudication.

D. BDTCL

Regulatory matters

(i) PGCIL filed a tariff petition before the CERC for determination of tariff due to it for the period where BDTCL's assets were not operational (the "**Interim Period**"). Through an order dated September 20, 2017 ("**First CERC Order**"), CERC directed BDTCL to pay the transmission charges to PGCIL for the Interim Period. BDTCL subsequently filed a review petition before CERC against the First CERC Order, which was dismissed by the CERC through an order dated July 23, 2018 ("**Second CERC Order**"). BDTCL has filed an appeal before APTEL against the First CERC Order and Second CERC Order. The estimated amount involved in this matter is ₹ 46 million. The matter is currently pending.

(ii) CERC passed an order dated June 25, 2018 ("**First CERC Order**") pursuant to the petition number 216/MP/2016 filed by BDTCL, allowing certain force majeure and change in law event reliefs to BDTCL, directing transmission charges of DV line from February 9, 2015 to June 13, 2015 to be borne by PGCIL. Aggrieved by the CERC Order, PGCIL filed a review petition before CERC. However, the review petition was dismissed by CERC vide order dated April 15, 2019 ("**Second CERC Order**"). Aggrieved by the Second CERC Order, PGCIL filed an appeal before APTEL on June 24, 2019. The estimated amount involved in this matter is ₹ 130 million. The matter is currently pending.

Civil matters

Certain persons ("**Petitioners**") have filed separate cases before various courts, against BDTCL and certain others ("**Respondents**"), alleging amongst others, (i) breach of right of way by the Respondents over the Petitioners land, (ii) damage caused to the Petitioners land, crops and others due to the construction or laying of high voltage transmission lines by the Respondents, and (iii) inadequate compensation paid to the Petitioners in respect of these lands. The Petitioners, by way of these cases have claimed certain compensation from the Respondents. These matters are currently pending before various courts.

E. PKTCL

Regulatory matters

(i) CERC, vide its orders dated April 3, 2018 and April 26, 2018 ("**CERC Orders**"), pursuant to the petition number 110/MP/2016 filed by PKTCL, had approved extension of the commercial operation date of 'PR Line' by a period of 274 days and 'KC Line' by a period of 42 days from their respective scheduled commercial operation dates. Further, CERC directed that transmission charges of the KC Line, from May 20, 2017 till June 18, 2017, shall be payable by PGCIL and the same was paid in September 2021. Aggrieved by the CERC Orders, PGCIL filed a review petition before CERC. The review petition was dismissed by CERC by way of its order dated April 23, 2019. Aggrieved by the dismissal, PGCIL filed an appeal before APTEL against the payment of transmission charges, to which PKTCL has filed its reply. Additionally, on January 3, 2020, PGCIL has also filed a rejoinder to PKTCL's response filed earlier. The estimated amount involved in this matter is ₹ 47.26 million. The matter is currently pending.

F. RTCL

Regulatory matters

(i) RTCL filed a petition dated March 11, 2016 under Section 79(1)(f) read with Section 79(1)(c) of the Electricity Act, 2003 before the CERC seeking payment of monthly transmission charges for the period starting from December 26, 2015 under the RTCL TSAs and the revenue sharing agreement and the order dated July 15, 2015 issued by the Ministry of Power, Government of India entitled "Policy for Incentivizing Early Commissioning of Transmission Projects" under which RTCL has prayed that it is entitled to the payment of monthly transmission charges starting from the actual date of commercial operation, December 26, 2015, which is in advance of the scheduled commercial operation date of February 2016. CERC, by its order dated September 21, 2016 (the "**Impugned Order**"), required Nuclear Power Corporation of India Limited ("**NPCIL**") to pay the transmission charges from March 1, 2016 till the bays are commissioned. NPCIL filed an appeal, along with an interim application before APTEL dated November 4, 2016 (the "**Appeal**") praying that the Impugned Order be stayed, since it is in violation of the principles of natural justice. Through an order passed on January 18, 2019 (the "**Order**"), APTEL has dismissed the Appeal. APTEL has also given liberty to RTCL to regulate the power supply of NPCIL if NPCIL fails to make the payment within 30 days of the Order. RTCL has accordingly sent letters to NPCIL for the disbursement of the withheld amounts along with applicable charges. NPCIL has filed an appeal before the Supreme Court of India against the Order and RTCL has filed the counter affidavit on August 27, 2019. The estimated amount involved in this matter is ₹ 280 million. The matter is currently pending.

G. MTL

NIL

H. PTCL

Regulatory matters

(i) Pursuant to CERC's order dated January 4, 2017 (the "**CERC Order**"), Punjab State Power Corporation Limited ("**PSPCL**") had been held liable to pay transmission charges of the PTCL Project from scheduled commercial operation date or actual commission date, whichever is later, until commissioning of downstream system by PSPCL. PSPCL completed commissioning of downstream system on May 19, 2017 after substantial delay. PSPCL failed to pay liquidated dues of ₹ 113.67 million. Further, PSPCL has defaulted in making payment of ₹ 102.51 million as per notification no L-1/42/2010 passed by CERC dated September 28, 2010. Accordingly, PTCL issued a "notice for regulation of power supply" dated July 6, 2017 to PSPCL for regulation of power supply unless dues are cleared by PSPCL by July 13, 2017. PSPCL filed an appeal before the Appellate Tribunal for Electricity ("**Tribunal**") challenging the CERC Order. The Tribunal dismissed the appeal through its order dated March 27, 2018 (the "**APTEL Order**"). PSPCL has subsequently filed an appeal before the Supreme Court of India against the APTEL Order. The estimated amount in this matter is ₹ 130 million. The matter is currently pending.

I. GPTL

Regulatory matters

(i) GPTL ("**Petitioner**") filed a petition against UTC Chandigarh and others ("**Respondents**") before CERC, under Sections 63 and 79 (1)(f) of the Electricity Act, read with the transmission services agreement dated March 4, 2016 entered into between GPTL and certain LTTCs, amongst others, seeking monetary compensation due to change in law events and extension of the scheduled commissioning date of certain elements of a GPTL project, on account of force majeure events. The estimated amount involved in this matter is ₹ 480 million. The matter is currently pending.

(ii) PGCIL filed a tariff petition before the CERC for determination of transmission tariff for 2019-2024 tariff block for two assets, on July 3, 2020. Through an order dated August 1, 2022, CERC noted that GPTL has filed a separate petition before the CERC ("**Separate Petition"**), claiming that its transmission line was affected by force majeure events and that the Separate Petition may have some bearing on the issues raised in the instant petition, see "GPTL – Regulatory matters – (i)" above. The CERC accordingly reserved its orders subject to disposal of the Separate Petition. The estimated amount involved in this matter is ₹ 122.90 million. The matter is currently pending.

(iii) GPTL filed a license petition, under Sections 14, 15, 79(1)(e) of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2009 before CERC on August 31, 2023 seeking transmission license for Gurgaon Palwal Transmission Limited for the transmission project to be constructed through regulated tariff mechanism ("**RTM**"). The matter is currently pending.

Civil matters

Certain persons ("**Petitioners**") have filed separate cases before various courts, against GPTL and certain others ("**Respondents**"), alleging amongst others, (i) breach of right of way by the Respondents over the Petitioners land and thereby interfering with the peaceful possession of the Petitioners land, (ii) damage caused to the Petitioners land, goods and others due to the construction or laying of high voltage transmission lines by the Respondents, and (iii) inadequate compensation paid to the Petitioners in respect of these lands. The Petitioners, by way of these cases have claimed certain compensation from the Respondents. These matters are currently pending at various stages of adjudication.

J. ENICL

Regulatory matters

(i) ENICL filed an appeal against PGCIL, CERC and 17 others ("**Respondents**") before APTEL, for quashing an order passed by CERC dated October 9, 2018 ("**CERC Order**"), directing ENICL to pay of transmission charges ("**Transmission Charges**") for a period when ENICL's projects were effected by force majeure events. The CERC Order directed ENICL to pay PGCIL the interest during construction ("**IDC**") and incidental expenditure during construction ("**IEDC**") for PGCIL's assets, namely two 400 kV line bays (for 400 kV D/C Siliguri-Bongaigaon transmission line) along with two 80 MVAR switchable line reactors at the 400 kV Siliguri sub-station, and two 400 kV line bays (for 400 kV D/C Siliguri-Bongaigaon transmission line) at the Bongaingaon sub-station from May 1, 2013 till the commissioning of ENICL's transmission elements, which are interconnected with PGCIL's transmission elements. ENICL has alleged that since its assets were affected by force majeure events during the said period, it should not be liable to pay the IDC and IEDC amounts. The estimated amount involved in this matter is ₹ 5.20 million. The matter is currently pending.

Criminal matters

ENICL filed a complaint against M/s. Akshya Urja Private Limited ("**Contractor**") and its directors, before the Metropolitan Magistrate Court, Esplanade, Mumbai, in order to recover an amount of ₹10.80 million paid to the Contractor, pursuant to a service contract between the parties. The Contractor failed to perform according to the terms of the service contract and was unable to return the advance amount paid to it. The cheques tendered by the Contractor were returned dishonoured, as a consequence of which ENICL filed a complaint under section 138 of the Negotiable Instruments Act, 1881. The matter is currently pending.

K. NTL

Regulatory matters

(i) NTL filed a petition dated October 10, 2022, against NRPC and others ("**Respondent**"), before the CERC, under Section 79(1)(c) and 79(1)(f) of the Electricity Act, 2003, seeking a direction to NRPC to certify availability factor for the months of January 2022 and February 2022 by excluding the outage of the 400 kV D/C Sambha - Amargarh transmission line due to force majeure events from January 20, 2022 to February 8, 2022 from the total time under consideration, in accordance with Appendix II - Clause 5 (i) of CERC Tariff Regulation 2019. The petition was heard on January 17, 2023, wherein the CERC admitted the petition, directed to implead all beneficiaries, and file a revised memorandum of parties, directed the Respondent to submit its reply and sought additional information. Additional information was provided vide affidavits dated February 9, 2023, February 10, 2023 and March 21, 2023. The CERC heard the matter again on March 28, 2023 and May 16, 2023 and directed the Respondent to submit its reply on affidavit by June 6, 2023 and NTL to submit rejoinder, if any, by June 13, 2023. The CERC reserved its order and granted one last opportunity to the Respondent to file their reply. The matter is currently pending.

(ii) NRSS filed an appeal, under Section 111(1) of the Electricity Act, 2003, challenging an order dated July 11, 2022 passed by CERC. CERC had disallowed additional ₹ 1204.30 million of change in law ("**CIL**") claim out of the total additional claim amount of ₹ 1253.80 million. CIL events claims are: (i) Unforeseen requirement of forest clearance - ₹ 38.53 million; (ii) Unforeseen higher ROW compensation due change in Land Compensation Policy - ₹ 757.90 million (against earlier claim of ₹ 663.63 million before CERC (iii)Unforeseen higher ROW compensation towards apple orchid & walnut trees - ₹ 138.31 million (iv)Unforeseen additional expenditure towards use of helicrane - ₹ 363.80 million. Aggrieved by the same, NRSS has filed the appeal claiming the CIL amount of ₹ 1,298.60 million as well as seeking direction from APTEL to re-consider the disallowed CODs of transmission line elements under NRSS Project and impact on tariff of ₹ 34.60 million. The matter is currently pending.

(iii) NRSS filed a petition on July 20, 2023 before the CERC, under Sections 14, 15, 79(1)(e) of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2009 seeking transmission license for NRSS XXIX Transmission Limited for a transmission project to be constructed through regulated tariff mechanism ("**RTM**"). CERC vide interim order dated September 23, 2023 granted in-principle approval and directed that a public notice under the Electricity Act for objections/suggestions to the grant of license to NTL be issued by October 12, 2023. The matter is currently pending.

(iv) Central Transmission Utility of India ("CTUIL") filed a petition before the CREC under Section 79(1)(f) of the Electricity Act, 2003 read with Regulation 111 of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 seeking directions for installation of optical ground wire on the 400 kV Kurukshetra-Malerkotla Transmission Line established under the Northern Region System Strengthening Scheme XXXI(b). Pursuant to an order of the CERC, NTL was impleaded as a respondent in the matter. On March 10, 2022, the CERC sought certain additional information. After hearing the parties, the Commission reserved the order and directed CTUIL to file minutes of meetings and other parties to file written submission if any. The matter is currently reserved for orders.

Criminal matters

Pursuant to an application filed under section 156(3) of the Criminal Procedure Code, 1973 ("**CrPC**"), titled Mohd. Kabir v. Tata Starlight Company India Private Limited, the Munsiff Court Thanamandi passed an order dated December 10, 2022, directing that an FIR be registered and investigations be carried out against Zeeshan Fida, an employee of IndiGrid ("**Petitioner**"), in relation to offences under sections 336 and 337 of the Indian Penal Code, 1860. The Petitioner filed an application under section 482 of the CrPC, before the High Court of Jammu and Kashmir ("**High Court"**) dated May 9, 2023, challenging the legality and validity of the FIR and seeking quashing thereof. By way of order dated May 12, 2023, the High Court allowed the investigation to be continued, but disallowed the filing of a challan without the leave of the High Court. The is currently pending.

Civil matters

(i) Certain persons (the "**Petitioners**") have filed separate petitions against NTL and others ("**Respondents**"), before various courts, including the Jammu and Kashmir High Court, Punjab and Haryana High Court, Sub Judge, Pattan, Sub Judge, Rajouri and the Chief Judicial Magistrate, Budgam, stating amongst others, that (i) the Respondents have not adopted the due course of law while commencing construction and installation work on their lands and the process required under the Land Acquisition Act was not initiated, (ii) the adequate compensation was not paid to them in relation to acquisition of such lands, (iii) praying the Respondents be restrained from installation of electric towers, conductors or transmission lines, as applicable, on their lands, and (iv) praying for the damages caused to their lands by the Respondents. In certain cases, contempt applications have been filed, alleging attempt by the Respondents to execute work on the disputed properties. The Petitioners by way of these cases have also claimed certain compensation from the Respondents. These matters are currently pending at various stages of adjudication.

(ii) During the routine patrolling activity, it had been noticed that an unauthorized construction activity, namely construction of a house, was being carried out, by one Mr. Dharam Paul. In this regard, NTL had requested the intervention of the Sub Divisional Magistrate, Vijaypur ("**SDM**"), by way of a letter dated July 14, 2021. Further, NTL had issued a legal notice dated August 16, 2021, to Mr. Dharam Paul, calling upon him to stop the construction activity. An application was filed before the SDM praying for a mandatory injunction directing Mr. Paul to demolish the house. The matter is currently pending.

L. OGPTL

Regulatory matters

(i) Pursuant to a petition filed by PGCIL, against Damodar Valley Corporation and others, in relation to determination of tariff of certain lines operated by PGCIL and certain lines which were associated with a common transmission system being operated by OGPTL. CERC passed an order dated February 14, 2019 ("**First CERC Order**"), determining the tariff for PGCIL's assets, namely asset-I of both circuit of 400 kV D/C Rourkela-Raigrah (second line), along with four 400 kV line bays at Jharsuguda (Sundargarh) sub-station; asset-II – split bus arrangement at 400 kV bus at Jharsuguda (Sundargarh) sub-station and asset-III – two 400 kV line bays for termination of OPGC (IB thermal power station) - Jharsuguda 400 kV D/C line (under tariff based competitive bidding at Jharsuguda (Sundargarh). In the First CERC Order, CERC held that the transmission charges from November 23, 2017 till the commercial operation date of the generating station shall be borne by OPGC, to be recovered on monthly basis. Aggrieved by this Order of CERC, OPGC filed an appeal before APTEL. The matter is currently pending.

(ii) OGPTL filed an appeal before APETL, challenging APETL's order dated August 28, 2022 ("**Impugned Order**") passed by CERC. OGPTL filed its petition before CERC under Sections 79(1)(c), 79(1)(d), 79(1)(f) and 79(1)(f) of the Electricity Act, read with Articles 11 and 12 of the relevant TSA, seeking , *inter-alia*, a declaration that OGPTL is not liable for delay in commissioning of the OPGC-Jharsuguda Transmission Line and monetary compensation on account of occurrence of force majeure and change in Law events. The matter is currently pending.

Civil matters

Certain persons ("**Petitioners**") have filed separate cases before various courts, against OGPTL and certain others ("**Respondents**"), alleging amongst others, (i) breach of right of way by the Respondents over the Petitioners land, (ii) damage caused due to the construction of high voltage transmission lines operated by the Respondents, and (iii) land being utilised by the Respondents without acquiring it in accordance with law. The Petitioners, by way of these cases have claimed certain compensation from the Respondents. These matters are currently pending at various stages of adjudication.

M. JKTPL

Regulatory matters

(i) JKTPL filed an appeal before APTEL on June 21, 2018 ("**Appeal**"), against the HERC order dated May 21, 2018 ("**HERC Order**") disposing of JKTPL's petition, claiming payment of full unitary charges allegedly deducted wrongly by HVPNL by wrongly computing availability of the transmission system capacity for the months of February and March 2016, due to occurrence of force majeure events. JKTPL has prayed for refund of the wrongful deduction of ₹ 35.45 million unitary charges, along with interest payable by HVPNL, for the months of February and March 2016. HERC, by way of the HERC Order, held, amongst others, that the intention of the transmission agreement is not to grant unitary charge during the force majeure event in addition to extension of the concession period and directed JKTPL and HVPNL to re-work the unitary charge payable for the aforesaid months. The matter is currently pending.

(ii) JKTPL filed a petition against HVPNL before HERC, regarding the alleged wrongful deduction of penalty on annualized unitary charges ("**Petition I**"). HVPNL filed its reply and issued a notice dated March 5, 2019 ("**HVPNL Notice**") to JKTPL. JKTPL filed an interim application before HERC seeking stay of the HVPNL Notice. Thereafter, JKTPL filed another petition before the HERC, seeking directions to HVPNL, to not initiate recovery of amounts from any of the invoices from the HVPNL Notice ("**Petition II**"). HERC, amongst others, summarily dismissed the Petition II vide order dated April 4, 2019 ("**First HERC Order**"). JKTPL filed a review petition before HERC against the First HERC Order passed in relation to Petition I and Petition II. The review petition was dismissed by HERC vide its order dated May 27, 2019 ("**Second HERC Order**"). Subsequently, JKTPL has filed an appeal before APTEL, praying, amongst others, to set aside the First and Second HERC Orders and to refund the entire amounts allegedly deducted wrongfully by HVPNL on account of incorrect methodology adopted for calculating the reliability parameter, along with the interest amount. The estimated amount involved in this matter is ₹ 54.58 million. The matter is currently pending.

(iii) JKTPL and HVPNL entered into a transmission services agreement dated May 28, 2010, which provides for a repair time of 30 days for certain inter connecting transformers ("**ICTs**"). However, HVPNL granted JKTPL 120 days as repair time for ICTs and deducted certain penalty amount ("**Penalty amount**") on the period exceeding 30 days for the delay in repair time of these ICTs at Kabulpur. Pursuant to a petition filed by JKTPL, HERC passed an order dated April 4, 2019, granting relief on the repair time of the ICTs up to 120 days ("**HERC Order**"). Aggrieved by the HERC Order, HVPNL filed an appeal before APTEL against the HERC Order and prayed amongst others, to set aside the HERC Order and uphold the Penalty amount deducted in relation to the ICTs ("**Appeal**"). JKTPL filed its reply on August 27, 2019, against the Appeal, denying the contentions of HVPNL and seeking that the Appeal be dismissed, and further that the amount deducted by HVPNL be paid to JKTPL, along with certain interest amount. The estimated amount involved in this matter is ₹ 7.73 million. The matter is currently pending.

(iv) JKTPL filed written submissions before an arbitral tribunal against HVPNL, claiming certain amounts, on account of, among other things, wrongful deduction of certain amounts by HVPNL on account of alleged delay in achieving commercial operation date of transmission lines of JKTPL, including, claim for reimbursement of supply cost incurred for laying extra length, claim for reimbursement for erection cost incurred for laying extra length and claim for interest amounts pursuant to certain provisions of the transmission service agreement dated May 28, 2010. The amount involved in this matter is approximately ₹ 620 million. The matter is currently pending.

Civil matters

(i) Various persons have filed separate petitions before the District Court, Jhajjar ("**District Court**"), against the State of Haryana, JKTPL and others ("**Respondents**"), seeking compensation from December 2010 onwards, under the Indian Telegraph Act, 1885, the Electricity Act, 2003 and the Land Acquisition Act, 2013, in relation to installation of one of the high voltage transmission lines operated by JKTPL. The total compensation claimed in these matters amount to approximately ₹ 88.38 million, with an additional interest amount of ₹ 219 million approximately. Summons have been received, and replies have been filed, in some of these matters, by JKTPL. These matters are currently pending at various stages of adjudication.

(ii) Various persons ("**Petitioners**") have filed separate appeals before the High Court of Punjab and Haryana ("**High Court**") against the Union of India, JKTPL and others ("**Respondents**"), in relation to a judgement dated July 19, 2011 of the High Court, questioning whether the Respondents can be allowed to lay high power electric supply line of 400 KV over the agricultural land without following the due procedure laid down under law, particularly the Indian Telegraph Act, 1885, the Electricity Act, 2003, the Land Acquisition Act, 1894 and the Constitution of India. In the original writ petition the Petitioners had further questioned: (i) Whether provisions of the Land Acquisition Act, 1894 are attracted in using and occupying land for laying down high power electric supply lines over the land in question; and (ii) whether Article 300A of the Constitution of India is attracted in using and occupying land for high power electric supply line. These matters are currently pending at various stages of adjudication.

(iii) KPTL approached the High Court of Punjab and Haryana against the judgement passed by Ld. ADJ, Jhajjar whereby the judge had granted compensation to certain respondents @ 85% of the collector rate i.e. ₹ 8.5 million per acre along with 8% interest per annum for tower base area (between 4 legs) for transmission lines of 66 KV. The Hon'ble High Court passed a judgement on February 24, 2023 ("**High Court Order**")increasing the compensation from ₹ 8.5 million per acre to ₹ 15 million per acre based on the Guidelines dated October 15, 2015 issued by the Ministry of Power for payment of compensation towards damages in regard to Right of Way for transmission System. A special leave petition has been filed against the High Court Order. The matter is currently pending.

(iv) JKTPL filed a civil revision petition before the Punjab and Haryana High Court challenging the order dated November 7, 2016 passed by Ld. ADJ, Jhajjar. The Hon'ble High Court allowed the revision petition and the matter was remanded to the Ld. District Judge, Jhajjar for fresh decision. Respondent No. 1 had filed a revision petition against the order dated December 13, 2011, which was decided by ADJ, Jhajjar, who granted ₹ 2.61 million to the respondent. Aggrieved by the said order, both the Petitioner and the respondent approached the High Court by way of Civil Revision Petitions, where the respondent seeking enhancement of compensation, whereas the Petitioner challenged the compensation awarded. The Hon'ble High Court with judgement passed on February 24, 2023("**High Court Order**") increased the said compensation from ₹ 2.61 million to ₹ 15 million per acre. A special leave petition has been filed against the High Court Order. The matter is currently pending.

N. IGL1

Nil.

O. IGL2

Nil.

P. PrKTCL

Regulatory matters

(i) Pursuant to a petition filed by PrKTCL against Himachal Pradesh State Electricity Board and others, before CERC, the CERC passed a provisional tariff order dated December 23, 2014 ("**First CERC Order**") and the final order dated December 19, 2016 ("**Second CERC Order**", together with the First CERC Order, the "**CERC Orders**"), which stated, among others, that PrKTCL was allowed to recover only interest during construction ("**IDC**") and incidental expenditure during construction ("**IEDC**") amounts from NTPC from August 7, 2014 to August 14, 2014. Aggrieved by the CERC Orders, NTPC filed a review petition before CERC, seeking, among others, complete transmission charges for its two assets from August 7, 2014 and August 14, 2014, respectively, until March 30, 2015. NTPC filed a review petition against the Second CERC Order, praying to set aside the direction holding NTPC liable for delay and to pay IEDC and IDC to PKTCL. CERC, vide order dated July 24, 2019 ("**Revision Order**"), pursuant to the review petitions, directed NTPC to pay full transmission charges to PrKTCL for the petitioned periods. NTPC filed an appeal against the Revision Order, before APTEL The estimated amount involved in this matter is ₹ 585.70 million, along with additional interest as well as the amount payable to beneficiary is ₹ 465.77 million, along with interest. The matter is currently pending.

(ii) Pursuant to a petition filed by PrKTCL against Himachal Pradesh State Electricity Board and others, before CERC, the CERC passed a provisional tariff order dated December 22, 2014 ("**First CERC Order**") and the final order dated January 16, 2017 ("**Second CERC Order**", together with the First CERC Order, the "**CERC Orders**"), which stated, among others, that PrKTCL was allowed to recover only interest during construction ("**IDC**") and incidental expenditure during construction ("**IEDC**") amounts from NTPC. Aggrieved by the Second CERC Order, PrKTCL filed a review petition before CERC seeking, among other things, recovery of transmission charges effective from October 10, 2014. NTPC filed a review petition against the Second CERC Order, praying to set aside the direction holding NTPC liable for delay and to pay IEDC and IDC to PKTCL. CERC, vide order dated August 19, 2019 ("**Revision Order**"), pursuant to the review petitions, among others, directed NTPC to pay full transmission charges to PrKTCL from October 4, 2014 and March 20, 2015. NTPC filed an appeal against the Second CERC Order and the Revision Order, before APTEL. The estimated amount involved in this matter is ₹ 153.71 million, along with additional interest as well as the amount payable to beneficiary is ₹ 132.23 million, along with interest. The matter is currently pending.

(iii) Pursuant to a petition filed by PGCIL, Himachal Pradesh State Electricity Board and others ("**Original Petition**") before CERC, the CERC passed an order dated May 26, 2015 ("**First CERC Order**"), in relation to PGCIL assets related to PrKTCL line, allowing, among others, additional capital expenditure for the year 2013-2014. PGCIL filed a review petition against the First CERC Order, praying for approval of the commercial operation date of 'Asset-II' and grant of tariff. CERC, vide its orders dated July 21, 2016 and September 7, 2016 ("**Revision Orders**") held that transmission charges from August 1, 2013 to March 23, 2014 shall be borne by NHPC in respect of the assets of PGCIL. Aggrieved by the Revision Orders, NHPC filed an appeal before APTEL, against the Revision Order granting 100% transmission charges to PGCIL to be recovered from NTPC. PrKTCL was also made a party to the matter as PrKTCL assets associated in the scheme were also involved. APTEL, during the course of hearing, identified a similar matter of PrKTCL pending before CERC with similar facts, which involved PGCIL. Accordingly, APTEL passed an order dated July 16, 2018 and directed CERC to freshly carry out complete / comprehensive adjudication and reconsideration on the pending petitions. CERC, vide order dated December 12, 2018, merged the pending PrKTCL petition with the PGCIL petition, for fresh consideration. CERC issued an order dated February 5, 2020 ("**Second CERC Order**"), stating, among others, that the transmission charges for the period of mismatch shall be borne exclusively by NTPC and that there is no error in the Revision Order passed by the CERC. Aggrieved by the Second CERC Order, NTPC filed an appeal before APTEL. The matter is currently pending.

(iv) PrKTCL filed a petition dated September 30, 2021, before the CERC for approval under Regulation 86 of the CERC (Conduct of Business) Regulations, 1999, CERC (Terms and conditions of Tariff), Regulations, 2014 and CERC (Terms and Conditions of Tariff) Regulations, 2019 for: (a) Approval of Truing up of Transmission Tariff for 2014-19 Tariff Block and (b) determination of transmission tariff for 2019-24 tariff block, for transmission line elements covered under the Transmission Project of PrKTCL. The matter is currently pending for final order.

(v) PrKTCL ("**Appellant**") filed an appeal on November 21, 2022, before the APTEL under Section 111(1) of the Electricity Act, 2003, challenging CERC's findings in (i) Order dated February 9, 2021 in Petition No. 156/TT/2015 ("**Impugned Order**") and (ii) Review Order dated September 7, 2022 in the review petition filed by PrKTCL against the Impugned Order (to the extent of fresh findings). The Appellant had filed a CERC petition seeking approval of the commercial operations date for certain assets. By way of the Impugned Order, the CERC rejected the Appellant's application. Alleging that the CERC had made certain mistakes in fact and law, the Appellant had filed a review petition, which was rejected by the CERC by way of the Review Order. The matter was heard on January 3, 2023 and the APTEL granted time to the respondents to file their reply for the interim application for condonation of delay and to the Appellant to file a rejoinder, if any. In its order dated March 21, 2023, APTEL condoned the delay, admitted the appeal and directed the respondents to file their reply within 4 weeks and the Appellant to file their rejoinder, if any. The matter is currently pending.

Civil matters

(i) Vishwanath ("**Petitioner**") has filed a writ petition before the High Court of Himachal Pradesh ("**High Court**"), against the State of Himachal Pradesh, PrKTCL and others ("**Respondents**"), seeking directions from the High Court to ensure that means of livelihood of the people, including the Petitioner, are not lost due to the construction of the 400 Kv D/C Koldam line in the district of Bilaspur, especially due its towers. The Petitioner has prayed for adequate compensation and a source of livelihood to be provided. The Petitioner has alleged that towers were constructed on his land, and on the lands of other people, in the process of which trees, fruits, etc. were destroyed by the Respondents. The estimated amount involved in this matter is ₹ 100 million. The matter is currently pending.

(ii) Certain persons ("**Petitioners**") have filed separate cases before various courts, against PrKTCL and others ("**Respondents**"), in relation to breach of right of way by the Respondents over the Petitioners land, seeking various reliefs, including, (i) restraining PrKTCL from interfering in the ownership and possession of the suit property by constructing, laying or installing of any transmission line or tower, or changing the nature of the land in any way, (ii) removal of overhead high voltage transmission wires installed by PrKTCL, and (iii) monetary compensation towards damage caused to property, trees, crops and others including recovery of mesne profits. Further, in certain of these cases, the Petitioners have filed for injunctions against the Respondents. Separately, certain persons ("**Claimants**") have also filed a petition against the Respondents, alleging, amongst others, that the Respondents had removed certain existing transmission lines of the Claimants for installing a transmissions line, and that the Respondents have not returned these poles and transmission line accessories to the Claimants. A higher compensation has been demanded in this matter from the Respondents. The Respondents have filed their reply with respect to these matters. These matters are currently pending at various stages of adjudication.

(iii) Various persons ("**Petitioners**") have filed separate applications before the District Judge, Ropar and Additional District Judge, Mandi ("**ADJ**") against PrKTCL, the Ministry of Power and others ("**Respondents**"), seeking enhancement of compensation of the lands, on which poplar trees and wheat crops were standing (collectively, "**Trees and Crops**"). The Petitioners have alleged that the Trees and Crops were cut and removed by the Respondents from the lands. In this regard, the Petitioners have sought, among other things, higher compensation on the value of the lands including certain interest amounts, due to the installation of high voltage wires on these lands. PrKTCL filed an application seeking rejection of the petitions filed by the Petitioners, on the ground that, *inter-alia*, the claims are barred by limitation. However, the application filed by PrKTCL was dismissed vide an order of the Additional District Judge, Rupanaga dated January 17, 2020 ("**ADJ Dismissal Order**"). In certain matters, PrKTCL also filed civil revision application before the High Court of Punjab and Haryana ("**High Court**"), against certain orders ("**ADJ Award Orders**") passed by the ADJ *ex parte*, awarding compensation to the Petitioners. The High Court, by its order dated February 19, 2020 has remitted these matters back to the ADJ, for re-determination. Certain Petitioners have filed applications before the ADJ for execution of the ADJ Award Orders and PrKTCL has filed its objections to this execution petition. The Ministry of Power has also filed applications before the ADJ, seeking to set aside the ADJ Award Orders and has also sought a stay on the execution proceedings. These matters are currently pending at various stages of adjudication.

Criminal matters

(i) Khub Ram and others ("**Petitioners**") have filed a complaint before Judicial Magistrate (First Class), Gohar, Mandi ("**Judicial Magistrate**"), against Satish Seth and others, including certain members of the board of directors of PrKTCL ("**Respondents**"), seeking registration of a first information report ("**FIR**") against the Respondents, alleging forcible construction of transmission line and illegal cutting of trees on the Petitioner's land, without any payment of compensation. It was further alleged that the Respondents had trespassed upon the Petitioner's land with criminal intention and without showing any khasra number allocation by the Government of India. Pursuant to an order dated June 24, 2019 ("**First Order**") passed by the Judicial Magistrate, the Petitioner's application was allowed, and the complaint was allowed to be sent to the station house officer, Gohar ("**SHO**"), for registration of the FIR and investigation in accordance with law. The matter is currently pending.

(ii) Jagat Ram and others ("**Petitioners**") have filed a complaint before the Additional Chief Judicial Magistrate, Sunder Nagar ("**Additional Chief Judicial Magistrate**"), against Satish Seth and others, including certain members of the board of directors of PrKTCL ("**Respondents**"), seeking issue of directions to the station house officer, Mandi ("**SHO**") to register a first information report ("**FIR**") against certain PrKTCL officials pursuant to the provisions of the Indian Penal Code, 1860, the Environment Protection Act, 1986, the Indian Forest Act, 1927 and the Prevention of Corruption Act (Amendment) Act, 2018. The Additional Chief Judicial Magistrate, vide order dated August 13, 2019, directed that the complaint filed by the Petitioners should be treated as a private complaint under section 202 of the Code of Civil Procedure, 1908. The matter is currently pending.

(iii) PrKTCL (through its board member Satish Seth) and others ("**Petitioners**") have filed three criminal special leave petitions before the Supreme Court of India ("**Supreme Court**"), against the State of Himachal Pradesh and others ("**Respondents**"), against a judgment dated May 16, 2019 ("**Impugned Order**") passed by the High Court of Himachal Pradesh ("**High Court**"), pursuant to which the High Court dismissed the petitions filed by the Petitioners, holding that there was a *prima facie* case against Petitioners for registration of a first information report ("**FIR**"). The Petitioners had sought quashing of proceedings pending before the Judicial Magistrate, Bilaspur ("**Judicial Magistrate**") and three FIRs lodged against the Petitioners ("**Impugned FIRs**"). The complaint on which the Impugned FIRs were registered was made by certain landowners against the Petitioners, alleging that the Petitioners had entered their premises without permission and had cut valuable trees for laying transmission lines and installing towers. Further, it was alleged that the Petitioners had not paid enough compensation to the farmers for using their land for laying the transmission lines and installing towers. Aggrieved by the FIRs, the Petitioners had filed criminal miscellaneous petitions before the High Court, which were disposed of vide the common Impugned Order. The Petitioners have prayed the Supreme Court to grant special leaves to appeal against the Impugned Order, interim relief of stay in operation of the Impugned Order and stay in the proceedings pending before the Judicial Magistrate. The matters are currently pending at various stages of adjudication.

An FIR was filed by Baggaram and others ("**Complainants**") against PrKTCL and certain of its employees ("**Accused**") under Sections 120-B, 145, 147, 379, and 392 of the IPC, amongst others, certain provisions of the Environment Protection Act, 1986, the Indian Forest Act, 1927 and the Himachal Pradesh Land Preservation Act, 1978, registered with the Police Station at Nalagarh, alleging, amongst others, (i) trespass on the land of the Complainants by the Accused; (ii) forcible construction of high voltage transmission line towers over the residential houses, cowsheds and land of the Complainants; and (iii) subsequent damage caused to the land of the Complainants by the Accused. . The matter is currently pending.

Q. NER

Regulatory matters

(i) NER filed a petition under Section 61, Section 63 and Section 79 of the Electricity Act, 2003 read with statutory framework and Article 11 and Article 12 of the Transmission Service Agreement dated December 27, 2016 executed between NER-II Transmission Limited and its long-term transmission customers, before the CERC for inter-alia claiming compensation of ₹1723.47 million due to changes in law and seeking an extension to the scheduled commissioning date of the relevant elements of the NER Project on account of force majeure events in terms of the transmission service agreement. The matter is currently pending.

Civil matters

(i) Certain persons ("**Plaintiffs**") have filed separate cases against NER ("**Respondent**") before the District Court at Unakoti, Tripura, under Section 8 of the Indian Telegraph Act, 1885, seeking amongst others, compensation for damage suffered by the Plaintiffs on account of (i) cutting of trees on their property; (ii) a part of the property being rendered un-utilisable; and (iii) damage caused to the property without any assessment or inquiry by the concerned revenue department. In certain of these cases, a higher compensation has been demanded by the Plaintiffs from the Respondent. The Respondent has filed its reply and also paid certain compensation with respect to these cases. These matters are currently pending.

(ii) Basulal Das and another ("**Plaintiffs**") filed a suit against NER ("**Defendant**") before the Court of Civil Judge, Silchar, for seeking a declaration that the (i) Plaintiffs are occupancy tenants of certain parcel of land ("**Suit Land**"); (ii) Defendants have no right, title, interest or possession over any portion of the Suit Land; (iii) Defendants are trespassers over the Suit land; (iv) the Plaintiffs are entitled to get compensation amounting to ₹ 3.02 million; and (v) temporary and permanent injunctions against the Defendants. Summons have been issued to NER and NER has filed its written statement. Additionally, certain FIRs have also been filed by the Plaintiffs in relation to this matter. The matter is currently pending. For further details in relation to the FIRs, please see the section entitled "*Litigation – NER – Criminal matters*" on page 326.

(iii) Tata Projects Limited issued a notice dated September 7, 2023 under Section 21 of the Arbitration and Conciliation Act, 1996 against NER for invoking arbitration proceedings under Section 31 of the supply and services contracts executed between the parties, seeking a recovery of the encashed bank guarantees amounting to ₹ 434.50 million along with an interest of 18% per annum and a further sum of ₹ 3.26 million, which was incurred by Tata Projects Limited towards bank guarantee and additional bank guarantee charges and for damages suffered. Tata Projects Limited also filed a petition before the High Court of Delhi under Section 9 of the Arbitration & Conciliation Act, 1996 seeking an urgent intervention to preserve the subject matter of dispute. NER is in the process of filing a claim notice, and subsequently appointing an arbitrator for the proceedings. The matter is currently pending.

Criminal matters

(i) An FIR was filed by Rajneesh Pandey on behalf of NER against Harilal Das and Babul Chakrabarty, under Sections 341, 325, 385, 506 and 341 of the IPC, registered with the Silchar Police Station, in relation to the manhandling of Rajneesh Pandey, one of the employees of NER, at Srikona. The said FIR was filed pursuant to a letter dated August 11, 2019, sent by NER to the Officer in Charge, Silchar Sadar Police Station, complaining of mental and physical harassment of Rajneesh Pandey. The matter is currently pending.

(ii) An FIR was filed by Santosh Kumar on behalf of NER against Shaidul Islam Hq. Mozumder, under Sections 120-B and 384 of the IPC, registered with the Borkhola Police Station, in relation to creating obstructions while commencing construction of certain towers and demanding higher compensation beyond what is prescribed under the applicable guidelines ("**Cause of action**"). The said FIR was filed pursuant to a letter dated May 12, 2020 written by NER to the Officer in Charge, Borkhola Police Station, in relation to the Cause of action. The matter is currently pending.

(iii) An FIR was filed by Bashu Lal Das ("**Complainant**") against certain employees of SPGVL ("**Accused**") under Sections 447, 427, 406, 294, 501, 506, 34 of the IPC, registered with the Silchar Police Station. As per the FIR, an agreement was made between the Complainant, the Accused and NER for an amount of ₹ 0.60 million for the use of the Complainant's land for transporting certain raw materials through JCB and trucks. Further, it was alleged, amongst others, by the Complainant that the Accused failed to undertake the repair of the land, crops and vegetables and trespassed on the land. The Accused applied for anticipatory bail on August 25, 2020 before the Sessions Court, Cachar, Silchar, which was granted to the Accused vide order dated September 10, 2020. The matter is currently pending.

(iv) An FIR was filed by Manish Mishra, on behalf of NER, against Basu Lal Das, Kajal Das, and certain others, under Sections 341, 385, 506, 341 of the IPC, registered with the Silchar Police Station, for obstructing work undertaken on a project and demanding high right of way compensation, beyond what is prescribed by the guidelines under Section 10 of the Indian Telegraph Act, 1885 and guidelines issued by the Government of Assam. The matter is currently pending.

(v) A complaint ("**Complaint**") was filed with the Senior Superintendent of Police, West Tripura, Agartala for reporting an incident against that Bittu Dev Barma, Kajal Dev Barma, Uttam Debbarma and certain others ("**Accused**") for stoppage of work, in relation to construction of certain sub-station, as a part of the NER project. On April 19, 2019, a notice was issued to one of the accused, Uttam Debbarma and he was directed to appear before the Sub-Inspector of Police, Ranir Bazar Police Station within seven days of receipt of that notice. Further, an FIR was filed by Captain Vivek Sachar under sections 448, 342, 384, 506 and 34 of the IPC against the Accused, pursuant to the Complaint. The matter is currently pending.

(vi) An FIR was filed by Santosh Kumar, on behalf of NER, against Shaibur Rahman Laskar, Azad Hussain Laskar, Iftakar Alom Lakskar and others, under Sections 420, 384 and 353 of the IPC, alleging that the accused are obstructing construction of a transmission line under the NER project ("**Cause of action**"). The said FIR was filed pursuant to a letter dated October 24, 2020 sent by NER to the Officer in Charge, Borkhola Police Station, in relation to the Cause of action. The matter is currently pending.

(vii) An FIR was filed by Rajneesh Pandey, on behalf of NER, under sections 341, 294,385, 506, 34 of the IPC, against Aklim Raja Barbhuiya, Aftab Uddin Barbhiuya, Taj Uddin Barbhuiya ("**Accused**") alleging, amongst others, that the Accused had obstructed the work undertaken on a project and demanded higher right of way compensation beyond what is prescribed under the applicable guidelines, without any basis ("**Cause of action**"). The said FIR was filed pursuant to a letter dated December 25, 2020 filed by NER to the Officer in Charge, Srikona Police Outpost, Silchar, in relation to the Cause of action. The matter is currently pending.

(viii) An FIR was filed by Basulal Das ("**Complainant**"), against an unknown Sterlite manager, Amit Singh, Ashok Rauth, Sunil Kumar and certain others ("**Accused**"), under sections 147, 447, 294, 427, 188 and 506 of the IPC, registered with the Silchar Police Station, alleging amongst others, certain unauthorised work undertaken by the Accused on the land of the Complainant, thereby causing damage to such land. The matter is currently pending.

(ix) An FIR was filed by NER against Jakir Hussain Laskar under Section 341/385 of the IPC with Silchar police station for obstructing construction of 400 D/C (Quad) Transmission Line from Silchar to Misa under NER Project by NER and demanding high ROW compensation beyond stipulated guidelines. The matter is currently pending.

R. KTL

Regulatory Matters

(i) Khargone Transmission Limited filed a petition, under section 79 (1) (b), section 79 (1) (f) and section 79 (1) (k) of the Electricity Act, 2003 read with Regulation 4 of the Central Electricity Regulatory Commission (Sharing of Revenue Derived from Utilization of Transmission Assets for Other Business) Regulations, 2020 before the CERC, for, *inter alia*, giving prior intimation for undertaking the activity of providing and facilitating data transfer solutions in collaboration with the Sterlite Interlinks Limited, one of the respondent, to various communication service providers. The CERC directed MPPMCL, one of the respondents, to file its affidavit placing on record the relevant details/data indicating the derived revenue from use of spare optical ground wire containing optical fiber capacity, if any, within three weeks with copy to other side. The matter is currently pending.

(ii) Khargone Transmission Limited filed a petition, under Sections 63 and 79 of the Electricity Act, 2003 read with the statutory framework governing Inter-state Transmission Systems, and Articles 11 and 12 of the Transmission Service Agreement dated March 14, 2016 executed between Khargone Transmission Limited and its Long-Term Transmission Customers before the CERC for inter alia (i) consonance of the delays in the project's implementation, caused due to the force majeure events; (ii) claiming compensation of ₹1202.20 million due to change in law; and (iii) seeking extension in the scheduled commercial operation date of the relevant elements of the KTL project on account of force majeure. The matter is currently pending.

(iii) KTL has filed an appeal challenging Order dated July 4, 2023 ("**Impugned Order**") passed by the CERC in Petition No. 694/TT/2020 ("PGCIL Petition") whereby CERC has ordered KTL to pay the transmission charges for the period from August 1, 2019 to March 18, 2020. Appeal along with interim application (IAs) were filed on August 28, 2023.

Appeal filed against CERC order 694/TT/2020 and IAs has been filed for exemption from filing certified copy of impugned order. The matter is currently pending.

Civil Matters

Jamsingh Banke ("**Petitioner**") has filed separate petitions before the High Court of Madhya Pradesh, against the State of Madhya Pradesh and KTL respectively, seeking (i) compensation due to construction, erection and drawl of electricity high tension transmission and by the encroachment by other parties, and (ii) directions to remove KTL from Petitioner's land

S. RSTCPL

Nil

T. Kallam

Regulatory Matters

Kallam filed an application before the CERC, under Sections 14, 15, 79(1)(e) of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2009 seeking Transmission License for Kallam for the Transmission Project to be constructed through regulated tariff mechanism (RTM). Kallam has also submitted an additional compliance affidavit to the CERC on April 12, 2023. The CERC directed the Petitioner to serve a copy of the amended petition to the Respondents, if not served and further directed CTUIL to submit an affidavit within two weeks on its recommendation for the grant of a transmission licence to the Petitioner in terms of Section 15 (4) of the Electricity Act, 2003 for implementation of an additional element i.e. 400 kV line bay at Kallam PS for the inter-connection of Torrent Solar Power Private Limited (TSPPL). CTUIL is yet to provide its recommendation. The matter is currently pending.

U. IGL Solar I

Regulatory Matters

IGL Solar I filed a petition, being no. 310/MP/2022, under section 79 (1) (b), section 79 (1) (f) and section 79 (1) (k) of the Electricity Act, 2003 before the CERC, seeking compensation against additional cost incurred on account of implementation of the GST law vide Notification no. 12/2017 as a 'Change in Law Event' in terms of Article 12 of the power purchase agreement dated October 5, 2016, executed between IndiGrid, IGL Solar I and Solar Energy Corporation of India Limited. After hearing the matter on May 16, 2023, the CERC admitted the Petitions and directed to issue notice to the Respondents including distribution licensees on merits of these cases. Accordingly, the Respondents were directed to file their reply within four weeks with copy to the Petitioners, who may file their rejoinder(s), if any, within three weeks thereafter. The amount involved in the matter is ₹ 81.20 million. The matter is currently pending.

V. IGL Solar II

Regulatory Matters

IGL Solar II filed a petition, being no. 362/MP/2022, under section 79 (1) (b), section 79 (1) (f) and section 79 (1) (k) of the Electricity Act, 2003 before the CERC, seeking compensation against additional cost incurred on account of implementation of the GST law vide Notification no. 12/2017 as a 'Change in Law Event' in terms of Article 12 of the power purchase agreement dated October 5, 2016, executed between IndiGrid, IGL Solar II and Solar Energy Corporation of India Limited. After hearing the matter on March 21, 2023, the CERC listed the matter along with petition no. 310/MP/2022 for hearing on the aspect of limitation. The CERC heard the matters on May 16, 2023 and admitted the Petitions and directed to issue notice to the Respondents including distribution licensees on merits of these cases. Accordingly, the Respondents were directed to file their reply within four weeks with copy to the Petitioners, who may file their rejoinder(s), if any, within three weeks thereafter. The amount involved in the matter is ₹ 79.60 million. The matter is currently pending.

W. Solar Edge

Regulatory Matters

(i) Solar Edge has filed a writ petition dated December 15, 2020, before the Bombay High Court against the Maharashtra Electricity Regulatory Commission ("**MERC**") and others challenging the MERC (Forecasting, Scheduling and

Deviation Settlement for Solar and Wind Generation) Regulations, 2018 ("**Maharashtra F&S Regulations**") on grounds including, (i) the Maharashtra F&S Regulations being arbitrary, onerous in nature and hence ultra vires and violative of Article 14, Article 19(1)(g) and Article 300 of the Constitution of India and against the provisions of Electricity Act, 2003, National Electricity Policy, 2005, National Tariff Policy, 2016 as well as the MERC (Distribution Open Access) Regulations, 2016, (ii) while the deviation charges introduced under the Maharashtra F&S Regulations, are designed to encourage grid discipline and more accurate scheduling from renewable energy projects, the charges levied have no nexus to the grid conditions at the time of deviation, leading to unjust charges being sought from the renewables energy generators. (iii) the Maharashtra F&S Regulations are disproportionate in terms of the onerous consequences meted out to renewable energy generators for any defaults that have been cause by factors beyond their control. The matter is currently pending.

Civil matters

(i) Solar Edge purchased land for the 50MW Muktainagar solar power plant from Mr. Jeevan Ram Patel pursuant to sale deed dated May 16, 2017. Mrs. Surekha Patil ("Plaintiff") has filed suit at the Court of Civil Judge, Junior Division at Muktainagar ("Civil Court, Muktainagar"), against Mr. Jeevan Ram Patel, Solar Edge and others ("Defendants"), stating that disputed land is in her ownership and occupation, the land was not sold to Mr. Jeevan Ram Patel and that it was provided as security for the purposes of loan availed from Mr. Jeevan Ram Patel. The Plaintiff, inter alia, has requested the court to transfer the sale deed of the property to her name and a permanent prohibitory order against the Defendants that there should not be any objection and obstruction to the Plaintiff and her family occupying the suit property. The Plaintiff has also made an application to Civil Court, Muktainagar to obtain a temporary prohibitory order to not allow any objection or obstruction by the Defendants for the Plaintiff's possession of the suit property and the prohibitory order should be kept permanent till the judgement is pronounced. The matter is currently pending.

(ii) Solar Edge had bought the parcel of land (admeasuring 3 hectare) situated at Gut No. 541, Village Hartale, Muktainagar, a critical part of the 50 MW power plant in Muktainagar, from Vinod Patel and Pushpa Patel ("**Sellers**") pursuant to sale deed dated March 21, 2017. This parcel is subject to claim by an heir ("**Claimant**") of the earlier land owner, Mr. Lalsingh Patil, who had sold the land to the Sellers, and mutation entry was recorded and certified. Upon Claimant challenging the mutation entry recording the names of the Sellers at various forums, the Maharashtra Revenue Tribunal passed an order dated February 25, 2021 ("**MRT Order**"), setting aside the order dated November 28, 2018 passed by the Additional Collector, Jalgaon. Pursuant to the MRT Order against the Sellers, the Tahsildar called upon Solar Edge to hand over the possession of the subject land, vide notice dated June 2, 2021. Solar Edge filed a writ petition under Article 227 of the Constitution of India at the High Court of Bombay bench at Aurangabad ("**High Court**"), challenging the order by Revenue Tribunal and notice from Tahsildar. The High Court has stayed the operation of the notice issued by the Tahsildar, pursuant to order dated June 29, 2021. The matter is currently pending.

(iii) The plaintiff, Mahadev Sudhakar Gangane is a neighbouring farmer of Solar Edge and had claimed there to be encroachment of his land parcel by another farmer, and has applied for remeasurement to be undertaken of all land in the area to clearly demarcate the land area for each owner. Solar Edge has been impleaded as a defendant since the land owned by Solar Edge (Gut no 154) originally was part of the larger parcel where the encroachment has been claimed. The matter is currently pending.

X. TKSPL

Regulatory matter

(i) National Solar Energy Federation of India ("**NSFI**"), on behalf of TKSPL, TNSPEPL, UMD and TRSPL ("**Solar Entities**") has filed a petition dated August 10, 2016, before the Tamil Nadu Electricity Regulatory Commission ("**TNERC**") against TANGDECO, Tamil Nadu, SLDC (TNSLDC), TANTRANSCO and others ("**Respondents**") seeking directions be issued to the Respondents to observe the must-run status of the solar power plant and payment of deemed generation charges on account of loss of power generation units due to allegedly unjustified and unlawful backing down instructions issued by SLDC verbally without any written confirmation and forceful disconnection and curtailment of supply by TANGEDCO and TANTRANSCO. The TNERC by way of an order dated March 25, 2019 ("**TNERC Order**") held that the TNSLDC should not resort to back down instructions without recording a reason. On the issue of deemed generation benefits, TNERC observed that it has already instructed the TNSLDC to not to resort to back down instructions without reasons and that no provision in the purchase agreements pertains to payment of deemed generation charges. Therefore, no deemed generation benefits were awarded. The TNERC Order was challenged by NSFI on behalf of the Solar Entities before the Appellate Tribunal for Electricity ("**APTEL**") seeking (i) to quash and set aside the TNERC Order; (ii) a direction to TANGDECO and TNSLDC to pay deemed generation charges to the solar power plants when generation from solar power plants was curtailed along with carrying costs. The APTEL, in its order dated August 2, 2021, set aside the TNERC Order to the extent of denial of deemed generation charges/compensation for issuing backdown orders other than for grid security reasons. TANGEDCO has filed a civil appeal before the Supreme Court against the aforementioned APTEL order. The matter is currently pending.

(ii) TKSPL, TNSPEPL, UMD and TRSPL ("**Solar Entities**") have filed a writ petition under Article 226 of the Constitution of India before the Madras High Court against TNERC, TNSLDC, TANGEDCO and others challenging the TNERC (Forecasting Scheduling and Deviation Settlement and Related Matters for Wind and Solar Generation) Regulations, 2019 ("**TN F&S Regulations**") and Procedure for TNERC Forecasting Scheduling and Deviation Settlement and Related Matters for Wind and Solar Generation Regulations 2019 ("**TN F&S Procedure Regulations**") on grounds including, among others (i) the TN F&S Regulations seek to treat the renewable energy projects like wind and solar at par with conventional thermal power stations which is arbitrary since it is not possible to give accurate projections on how the weather condition will impact their generation at a given point of time of day; (ii) the TN F&S Regulations have sought to fix the absolute error band at (+/- 10%) which is a much narrower and tightened error band than compared toother similarly placed renewable energy generating rich states as well as the Forum of Regulators Model Regulations (at +/- 15%); and (iii) the TN F&S Regulations do not include provisions pertaining to aggregation of generation schedules among pooling substations at the state level. The matter was admitted by the Madras High Court on August 6, 2021. TNSLDC has filed a counter-affidavitand a rejoinder has been filed by the Solar Entities. The matter is currently pending.

Civil matter

(i) As part of the acquisition of the Lalitpur project by way of a slump sale on a going concern basis, Jakson Power Private Limited ("**JPPL**") and TKSPL executed and registered a sale deed for transfer of the immovable property forming part of the Lalitpur project. At the time of execution on August 22, 2022, JPPL paid the requisite stamp duty. However, subsequently, government authorities initiated legal proceedings against TKSPL for paying deficit stamp duty on the sale deed, on various grounds including that allegation that the solar modules and generators installed on the project land were not considered while calculating and paying the stamp duty. As per the terms of the business transfer agreement executed with JPPL ("**BTA**"), it was JPPL's obligation to pay the adequate stamp duty on the sale deed and keep TKSPL indemnified for any loss arising out of JPPL's breach of its obligation. Accordingly, the TKSPL has notified JPPL of the same and JPPL is controlling the defence of this matter in terms of the BTA. The matter is currently pending before the District Magistrate.

Y. TNSPEPL

Other than the matters disclosed in the section entitled "*Litigation – TKSPL – Regulatory matter*" on page 329, there is no litigation involving TNSPEPL.

Z. UMD

Other than the matters disclosed in the section entitled "*Litigation – TKSPL – Regulatory matter*" on page 329, there is no litigation involving UMD.

AA. TRSPL

Other than the matters disclosed in the section entitled "*Litigation – TKSPL – Regulatory matter*" on page 329, there is no litigation involving TRSPL.

BB. GGEPL

Regulatory matters

(i) GGEPL has filed a petition before the CERC against NTPC Vidyut Vyapar Nigam Limited (NVVN) and others, requesting for an increase in the tariff from Rs.12.20 per kWh to Rs. 15.00 per kWh claiming, *inter alia,* the lower direct normal irradiance (DNI) and variation in foreign exchange rates has resulted in a force majeure event. Accordingly, GGEPL should be given relief under the provision of the power purchase agreement dated January 10, 2011. Further, NVVN should not be allowed to claim any compensation on account of shortfall of MSO and minimum CUF, since such failures were on account of force majeure events. By way of order dated October 11, 2017, the CERC ruled that the shortfall of DNI cannot be considered a force majeure event and NVVN and the DISCOMs are not entitled to raise claims from GGEPL unless they can prove that they suffered loss on account of non-complaince of renewable purchase obligation due to shortfall generation (the "**CERC Order**"). The CERC Order was challenged before the APTEL, (a) by GGEPL seeking increase in tariff and (b) by NVVN to set aside the portion of the CERC order requiring NVVN to adjust the claim for shortage of energy supplied by GGEPL. In an order dated July 26, 2022, APTEL allowed the GGEPL appeal and directed CERC to formulate the mechanism for compensating the generators (including GGEPL) against the reduction in DNI from the adopted value of DNI for determination of generic tariff to the actual annual values measured at project sites. In the said order, APTEL also set aside the demand of liquidated damages claimed by NVVN on account of short supply of power by GGEPL. Punjab State Power Corporation Limited and distribution companies in Punjab have filed an appeal against the APTEL order before the Supreme Court, which has stayed the order. The matter is currently pending.

(ii) GGEPL filed a petition before the RERC, raising concerns in relation to the implementation of the DSM Regulations. The RERC clubbed the petitions filed by GGEPL and other developers in the said matter and disposed of the same through an order dated September 27, 2019 ("**RERC Order**"). GGEPL filed an appeal dated December 11, 2019 before the APTEL against the RERC Order on the grounds that, *inter alia*, (i) the definition of 'available capacity' in the DSM Regulations (which forms the basis for calculation of deviation charges) contemplates only solar PV generators, and not solar thermal generators; and therefore the DSM Regulations should not apply to GGEPL's project. The Superintending Engineer (Energy Accounting), Rajasthan Rajya Vidyut Prasaran Nigam Ltd. filed a counter reply dated July 2, 2020, opposing the appeal filed by GGEPL. The matter is currently pending.

CC. USUPL

Civil matter

(i) USUPL received summons in relation to the matter of Motilal ("**Plaintiff**") v. Chikori with respect to a land dispute under the Uttar Pradesh Consolidation of Holdings Act, 1953 read with Uttar Pradesh Consolidation of Holdings Rules, 1954. The land parcels dispute under the matter are under the ownership of USUPL. Preliminary submissions on behalf of USUPL have been made before the Hon'ble Court of Chakbandi Adhikari Mahoba. The matter is currently pending.

DD. TSESPL

Nil

EE. GSPPL

Nil

FF. PLG

Nil

GG. TSEC

Nil

HH. TSEG

Nil

II. TSEN

Nil

JJ. TSEP

Nil

KK. TSET

Nil

LL. KBPL

Nil

MM. Matters that may impact solar assets

(i) GERC, by way of its tariff order dated January 29, 2010 (“**GERC Tariff Order**”) determined the generic tariff for procurement of power from the solar energy developers by the discoms. The tariff for solar power projects for 25 years basis the capital cost of ₹16.50 crores per MW and debt-equity ratio of 70:30, was determined as two sub-periods: (a) ₹15 per unit for first 12 years starting from date of commercial operation; and (b) ₹5 per unit for the balance 13 years thereafter, and this tariff would apply only to the projects commissioned within two years from the date of the order. GUVNL filed a petition before the GERC for revisiting the parameters laid down in the GERC Tariff Order. GERC dismissed the petition as being not maintainable by its order dated August 8, 2013 (“**Impugned Order**”) on account of delay. Therefore, GUVNL filed an appeal with APTEL, New Delhi for the setting aside of the Impugned Order and for issuing consequential directions. APTEL in its order dated August 22, 2014 (“**APTEL Order**”) upheld the Impugned Order and stated that GERC was correct in holding that the GUVNL petition for re-determination of tariff was not maintainable. Subsequently, GUVNL filed a civil appeal against APTEL’s order on October 27, 2014, against GERC and others before the Supreme Court. The matter is currently pending.

(ii) A writ petition has been filed by SPICCPL challenging the legality of: (a) the order dated July 16, 2018 by Directorate General of Trade Remedies that recommends levy of safeguard duty on import of solar cells irrespective of its assembly in modules or panels (“**DGTR Order**”) and (b) the Notification No. 01 of 2018 – customs (SG) dated July 30, 2018 issued by Ministry of Finance levying safeguard duty on solar cells and modules pursuant to the order at (a) herein. SPICCPL has also filed a writ petition challenging the final assessment order passed by Commissioner of Customs on November 30, 2018 towards imposition of safeguard duty on import of solar modules. Madras High Court vide its order dated August 10, 2018 directed a release of the imported goods on execution of a bond basis the Orissa High Court order dated July 23, 2018 (“**Orissa HC Order**”) that stayed the DGTR Order. Further, the Madras High Court vide its order dated August 13, 2019 did not allow the petition filed by SPICCPL for release of the imported goods without execution of a bond and reiterated its stance in the order dated August 13, 2019. (“**Madras HC Order**”). The Orissa HC Order was challenged in special leave petition no. 24009/24010 of 2018 filed by Union of India before the Supreme Court as the order directed Union of India to not issue any notification in relation to imposition of safeguard duty till next date of hearing. Thereby, the Supreme Court vide its order dated September 10, 2018 stayed the Orissa HC Order. The matter is currently pending.

II. Litigation involving the Project Manager – IGL and Associates of the Project Manager

Please see the section entitled “*Litigation - Litigation involving India Grid Trust and its Portfolio Assets*” on page 317.

III. Litigation and regulatory actions against the Sponsor and its Associates, the Sponsor Group and Associates of the Investment Manager which are affiliates of KKR

Except as stated below in this section and on the basis of the above, there are no pending material litigation and regulatory action, which are not in the ordinary course of business, against us, the sponsor group or any of our Associates (as defined under the InvIT Regulations), or Associates of the Investment Manager, in each case, which are affiliates of KKR & Co. Inc. (and, for the avoidance of doubt, for purposes of this disclosure, such Associates exclude IndiGrid, its HoldCos and its Associates, the Project SPVs, the Investment Manager, and the Project Manager and their respective Associates).

From time to time, KKR (including Global Atlantic) is involved in various legal proceedings, lawsuits, arbitration and claims incidental to the conduct of KKR's businesses. KKR's asset management and insurance businesses are also subject to extensive regulation, which may result in regulatory proceedings against them.

In December 2017, KKR & Co. L.P. (which is now KKR Group Co. Inc.) and its then Co-Chief Executive Officers were named as defendants in a lawsuit filed in Kentucky state court alleging, among other things, the violation of fiduciary and other duties in connection with certain separately managed accounts that Prisma Capital Partners LP, a former subsidiary of KKR, manages for the Kentucky Retirement Systems. Also named as defendants in the lawsuit are certain current and former trustees and officers of the Kentucky Retirement Systems, Prisma Capital Partners LP, and various other service providers to the Kentucky Retirement Systems and their related persons. KKR and other defendants’ motions to dismiss were denied by the trial court in November 2018, but in April 2019 the Kentucky Court of Appeals vacated the trial court's opinion and order denying the motions to dismiss the case for lack of standing. The decision of the Court of Appeals was appealed by plaintiffs to the Supreme Court of Kentucky. On July 9, 2020, the Supreme Court of Kentucky reversed the trial court's order and remanded the case to the trial court with direction to dismiss the complaint for lack of constitutional standing. On July 20, 2020, the Office of the Attorney General, on behalf of the Commonwealth of Kentucky, filed a motion to intervene as a plaintiff in the lawsuit and on July 21, 2020 filed a new lawsuit in the same Kentucky trial court making essentially the same allegations against the defendants, including KKR & Co. Inc. and Messrs. Kravis and Roberts. On July 29, 2020, certain private plaintiffs in the original lawsuit filed a motion to further amend their original complaint and to add new plaintiffs. On July 30, 2020, KKR and other defendants filed objections to the Attorney General’s motion to intervene. On December 28, 2020, the trial court dismissed the complaint filed by the original plaintiffs and denied their motion to amend their original complaint and add new plaintiffs, but granted the Office of the Attorney General's motion to intervene. In January 2021, some of the attorneys for the private plaintiffs in the original lawsuit filed a new lawsuit, and a motion to intervene in the original lawsuit, on behalf of a new set of plaintiffs, who claim to be "Tier 3" members of Kentucky Retirement Systems, alleging substantially the same allegations as in the original lawsuit. The motion to intervene in the original lawsuit was denied. These "Tier 3" plaintiffs appealed the denial of their motion to intervene but then voluntarily dismissed their appeal on January 31, 2022. In addition, the Kentucky Retirement Systems had commissioned an investigation into certain matters alleged in the Attorney General's complaint. The trial court ordered that this investigation be completed by May 17, 2021, and the Attorney General was permitted to amend its complaint after reviewing the investigation's report within ten days of the Attorney General's receipt of it. On May 24, 2021, the Attorney General filed a First Amended Complaint on behalf of the Commonwealth of Kentucky. This complaint continues to name KKR & Co. L.P. and its then Co-Chief Executive Officers, as defendants, and makes similar allegations against them. KKR and the other defendants moved to dismiss the First Amended Complaint on July 30, 2021. The court held oral argument on these motions to dismiss on December 14, 2021. On July 9, 2021, the individual plaintiffs served an amended complaint, which purports to assert, on behalf of a class of beneficiaries of Kentucky Retirement Systems, direct claims for breach of fiduciary duty and civil violations under the Racketeer Influenced and Corrupt Organizations Act ("RICO"). This complaint was removed to the U.S. District Court for the Eastern District of Kentucky, which has entered an order staying this case until the completion of the Attorney General's lawsuit on behalf of the Commonwealth.

On August 20, 2021, the same and other individual plaintiffs filed a second complaint in Kentucky state court, purportedly on behalf of Kentucky Retirement Systems' funds, alleging the same claims against KKR & Co. Inc. and Messrs. Kravis and Roberts as in the July 9th amended complaint but without the RICO or class action allegations. KKR and the other defendants have moved to dismiss the August 20, 2021 complaint by the Tier 3 plaintiffs, whose motions are awaiting a decision from the Kentucky state court. On March 24, 2022, in a separate declaratory judgment action brought by the Commonwealth of Kentucky regarding the enforceability of certain indemnification provisions available to KKR & Co. Inc. and Prisma Capital Partners LP, the Kentucky state court found that it has personal jurisdiction over KKR & Co. Inc., and this finding is currently being appealed by KKR. On May 27, 2022, following a motion by KKR, the judge then adjudicating the lawsuits recused himself from the original 2017 action and the second Tier 3 action, and a new judge was assigned. On December 9, 2022, the new judge issued an order that held in abeyance the motions to dismiss filed by KKR and other defendants pending the outcome of appeals which challenge the trial court's December 28, 2020 order granting the Attorney General's motion to intervene. On April 14, 2023, the Kentucky Court of Appeals ruled in favor of KKR and the other defendants in their appeal of the trial court's December 28, 2020 order granting the Kentucky Attorney General's motion to intervene in the 2017 action, including that the trial court should have dismissed the entire 2017 action after the Kentucky Supreme Court's 2020 decision. On May 4, 2023, the Attorney General filed a petition for rehearing with the Court of Appeals. The Court of Appeals denied the petition for rehearing. On July 6, 2023, the Attorney General filed with the Kentucky Supreme Court a motion for discretionary review of the Court of Appeals' decision. The Court of Appeals' April 14, 2023 decision does not dismiss the Kentucky Attorney General's standalone lawsuit filed on July 21, 2020, which KKR & Co. Inc., Messrs. Kravis and Roberts and other defendants moved to dismiss on September 14, 2023.

KKR (including Global Atlantic) currently is and expects to continue to become, from time to time, subject to examinations, inquiries and investigations by various U.S. and non-U.S. governmental and regulatory agencies, including but not limited to the SEC, U.S. Department of Justice, U.S. state attorney generals, Financial Industry Regulatory Authority, the U.K. Financial Conduct Authority, Central Bank of Ireland, Monetary Authority of Singapore, U.S. state insurance regulatory authorities, and the Bermuda Monetary Authority. Such examinations, inquiries and investigations may result in the commencement of civil, criminal or administrative proceedings or the imposition of fines, penalties, or other remedies against KKR or its personnel. KKR is presently subject to investigations by the U.S. Department of Justice related to antitrust matters, including with respect to (i) the premerger notification requirements under the Hart-Scott-Rodino Act of 1976 with respect to certain filings that KKR made for transactions in 2021 and 2022 and (ii) the restrictions on interlocking directorates under Section 8 of the Clayton Act. KKR is also presently subject to investigations by the SEC related to business-related electronic communications., including with respect to the preservation of text messages and similar communications on electronic messaging applications under the Investment Advisers Act of 1940. KKR is currently cooperating with these investigations.

Moreover, in the ordinary course of business, KKR (including Global Atlantic) is and can be both the defendant and the plaintiff in numerous lawsuits with respect to acquisitions, bankruptcy, insolvency and other events. Such lawsuits may involve claims that adversely affect the value of certain investments owned by KKR's funds and Global Atlantic's insurance companies.

KKR establishes an accrued liability for legal or regulatory proceedings only when those matters present loss contingencies that are both probable and reasonably estimable. No loss contingency is recorded for matters where such losses are either not probable or reasonably estimable (or both) at the time of determination. Such matters also have the possibility of resulting in losses in excess of any amounts accrued. Estimating an accrued liability or a reasonably possible loss involves significant judgment due to many uncertainties, including among others: (i) the proceeding may be in early stages; (ii) damages sought may be unspecified, unsupportable, unexplained or uncertain; (iii) discovery may not have been started or is incomplete; (iv) there may be uncertainty as to the outcome of pending appeals or motions; (v) there may be significant factual issues to be resolved; (vi) there may be novel legal issues or unsettled legal theories to be presented or a large number of parties; or (vii) the proceeding relates to a regulatory examination, inquiry, or investigation. Consequently, management is unable as of the date of filing of this report to estimate an amount or range of reasonably possible losses related to matters pending against KKR. In addition, any amounts accrued as loss contingencies or disclosed as reasonably possible losses may be, in part or in whole, subject to insurance or other payments such as contributions and/or indemnity, which may reduce any ultimate loss. KKR includes in its financial statements the reserve for regulatory, litigation and related matters that Global Atlantic includes in its financial statements.

It is not possible to predict the ultimate outcome of all pending legal or regulatory proceedings, and some of the matters discussed above seek or may seek potentially large and/or indeterminate amounts. As of November 9, 2023, management has not concluded that the final resolutions of the matters pending against KKR will have a material effect upon its financial statements. However, given the potentially large and/or indeterminate amounts sought or that may be sought in certain of these matters and the inherent unpredictability of examinations, inquiries, investigations and litigations, it is possible that an adverse outcome in certain matters could, from time to time, have a material effect on KKR's financial results in any particular period.

Material tax litigation involving Esoteric II Pte. Ltd.

With prejudice to the foregoing paragraphs, and for the purpose of full disclosure, for financial year 2021-22, Esoteric II Pte. Ltd., had filed its tax return declaring a total income of INR 1,50,52,28,229 and had pre-paid its tax liability. In this regard, the web-portal of the tax authorities while processing the tax return, did not consider the full amount of such pre-paid taxes and showed a total tax demand of INR 9,20,09,028 (INR 9,02,04,930 of tax plus INR 18,04,098 accrued interest). The updated demand as of November 2023 is INR 9,54,83,210 (with accrued interest till November 2023). In response to the said demand, Esoteric II Pte. Ltd. has filed a response in November 2023, requesting the web portal of the tax authorities to consider the correct amount of pre-paid taxes paid and remove the tax demand including interest.

IV. Litigation involving the Investment Manager

Pursuant to an inspection of IndiGrid undertaken by the SEBI, the Investment Manager has received a show cause notice dated September 21, 2023 ("Show Cause Notice") from SEBI seeking explanations in relation to certain alleged non-compliances with, and violations of, the InvIT Regulations by IndiGrid, including (i) the utilisation of certain funds raised through borrowings, in excess of 49% of the assets of IndiGrid, for purposes other than acquisition or development of infrastructure projects, in terms of the InvIT Regulations; and (ii) a delay in undertaking the valuation and certain other conditions in relation to the valuation of certain assets proposed to be acquired by IndiGrid, as required in accordance with the InvIT Regulations. The Investment Manager has filed a response with SEBI dated October 31, 2023 to the Show Cause Notice, stating, amongst other things, that the observations in the Show Cause Notice do not result in any contravention of any of the provisions of the InvIT Regulations by the Investment Manager and that the Investment Manager has at all times ensured that it conducted itself in a bona fide manner. Separately, the Investment Manager has also filed an application with SEBI for settlement dated November 13, 2023 in relation to the Show Cause Notice. The matter is currently pending.

V. Litigation involving the Associates of the Investment Manager (Excluding the Associates of the Investment Manager which are affiliates of KKR)

Please see the section entitled "*Litigation - Litigation involving the Associates of IndiGrid*" above.

VI. Litigation involving the Trustee

Nil.

VII. Tax Proceedings

Details of all direct tax and indirect tax matters against IndiGrid, Associates of IndiGrid, Parties to IndiGrid, their Associates (excluding the Trustee's and the Sponsor Group's associates) and the Portfolio Assets as of the date of this Preliminary Placement Document, are as follows. Please note that the proceedings involving the Sponsor Group, its Associates and the Investment Manager and its Associates which are affiliates of KKR (other than IndiGrid, its HoldCos and its Associates, the Project SPVs, the Investment Manager, and the Project Manager and their respective Associates) are only disclosed basis the materiality threshold laid out above.

Sr. No.	Nature of Case	Number of cases	Amount involved (in ₹ million)
IndiGrid and Associates of IndiGrid (excluding Associates of the Sponsor)			
IGL, also the Project Manager			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	1	17.98
JTCL			
1.	Direct Tax	1	0.23
2.	Indirect Tax	8	252.15
BDTCL			
1.	Direct Tax	1	27.90
2.	Indirect Tax	6	179.92
PKTCL			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
RTCL			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	2	13.31
MTL			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
PTCL			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
GPTL			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
IGL1			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
IGL2			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
ENICL			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	12	1.56
NTL			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
OGPTL			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
JKTPL			
1.	Direct Tax	3	13.20
2.	Indirect Tax	Nil	Nil
PrKTCL			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
NER			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
RSTCPL			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
KTL			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
Kallam			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil

Sr. No.	Nature of Case	Number of cases	Amount involved (in ₹ million)
IGL Solar I			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
IGL Solar II			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
GGEPL			
1.	Direct Tax	1	17.74
2.	Indirect Tax	Nil	Nil
UMD			
1.	Direct Tax	1	Nil
2.	Indirect Tax	Nil	Nil
USUPL			
1.	Direct Tax	3	0.07
2.	Indirect Tax	Nil	Nil
GSPPL			
1.	Direct Tax	4	Nil
2.	Indirect Tax	Nil	Nil
PLG			
1.	Direct Tax	2	Nil
2.	Indirect Tax	Nil	Nil
Solar Edge			
1.	Direct Tax	1	Nil
2.	Indirect Tax	Nil	Nil
TSEG			
1.	Direct Tax	1	0.29
2.	Indirect Tax	Nil	Nil
TNSPEPL			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
TRSPL			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
TSEC			
1.	Direct Tax	3	55.60
2.	Indirect Tax	Nil	Nil
TSEN			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
TSET			
1.	Direct Tax	4	17.08
2.	Indirect Tax	Nil	Nil
TSESPL			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	1	1.36
TKSPL			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
TSEP			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
Sponsor Group **(**Please note that the proceedings involving the Sponsor Group, its Associates and the Investment Manager and its Associates which are affiliates of KKR (other than IndiGrid, its HoldCos and its Associates, the Project SPVs, the Investment Manager, and the Project Manager and their respective Associates) are only disclosed basis the materiality threshold laid out above)			
1.	Direct Tax	1	The updated demand as of November 2023 is Rs. 95.48 million (with accrued interest till November 2023)

Sr. No.	Nature of Case	Number of cases	Amount involved (in ₹ million)
2.	Indirect Tax	Nil	Nil
Investment Manager			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil
Trustee			
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	Nil	Nil

VIII. Certain other matters

1. Mr. Tarun Kataria, an independent director on the board of the Investment Manager, was an independent director of a hospitality trust, of US hotel properties, listed on the SGX. The units of the trust were suspended on March 19, 2019. The impact of COVID led to the inability of the trust to maintain the minimum guaranteed lease rent from hotel occupancies since 15 of the 18 hotels were shut down. This led to the suspension of the units and later a winding up of the trust. While an MAS investigation is underway, there is no restriction on Mr. Kataria or the other independent directors from acting as independent directors of SGX listed companies. Mr. Kataria remained lead independent director of a Mapletree Logistics Trust until September 2022, when the standard nine years as an independent director concluded. Mr. Kataria is also currently the chairman of the Investment Committee of Mapletree US Europe Logistics Private Trust, an unlisted trust.

SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the websites of SEBI and the Stock Exchanges and has not been prepared or independently verified by the Parties to IndiGrid or the Placement Agents or any of their respective affiliates or advisors.

The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. The BSE and the NSE, together, hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Stock Exchange Regulation

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 on October 3, 2018 (the "**SCR (SECC) Regulations**"), which regulate *inter alia* the recognition, ownership and governance of stock exchanges and clearing corporations in India together with providing for minimum net worth requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

Listing and Delisting of Units

The InvIT Regulations provide for listing and delisting of units of infrastructure investment trusts on the Stock Exchanges.

BSE

Established in 1875, it is the oldest stock exchange in India. The BSE became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday during trading hours. The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to certain conditions.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading facility in 1995. This totally automated screen based trading in securities was put into practice nationwide. This has enhanced transparency in dealings and has assisted in smoothening settlement cycles and improving efficiency in back-office work.

NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfers of securities in book-entry form. Further, SEBI framed regulations in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners.

RIGHTS OF UNITHOLDERS

The rights and interests of Unitholders are included in this Preliminary Placement Document and the InvIT Regulations. Under the Amended and Restated Trust Deed and the Investment Management Agreement, these rights and interests are safeguarded by the Trustee and the Investment Manager, respectively. Any rights and interests of Unitholders as specified in this Preliminary Placement Document would be deemed to be amended to the extent of any amendment to the InvIT Regulations.

Beneficial Interest

Each Unit represents an undivided beneficial interest in IndiGrid. A Unitholder's right is limited to the right to require due administration of IndiGrid and such rights as provided for under the InvIT Regulations, in accordance with the provisions of the Amended and Restated Trust Deed and the Investment Management Agreement.

Ranking

No Unitholder of IndiGrid shall enjoy superior voting or any other rights over another Unitholder, except as provided for under the InvIT Regulations. Further, the Units of IndiGrid shall not have multiple classes, except any subordinate Units that may be issued to the Sponsor or its Associates in the future in accordance with Regulation 4(2)(h) of the InvIT Regulations.

Grievance Redressal Mechanism

The Trustee shall periodically review the status of Unitholders' complaints and their redressal undertaken by the Investment Manager. The Stakeholders' Relationship Committee of the Investment Manager shall monitor the status of complaints and their redressal. For details, please see the section entitled "*Corporate Governance*" on page 162. Further, any claims, differences or disputes between investors and the Investment Manager arising out of or in relation to the activities of the Investment Manager in the securities market shall be resolved in accordance with the procedures specified by the SEBI pursuant to the Master Circular for Online Resolution of Disputes in the Indian Securities Market dated July 31, 2023 issued by the SEBI and bearing reference number SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145, as amended.

Distribution

The Unitholders shall have the right to receive distribution in accordance with the InvIT Regulations. For details, please see the section entitled "*Distribution*" on page 275.

Nominee Directors

In accordance with the InvIT Regulations, Unitholder(s), holding not less than 10% of the total outstanding Units, either individually or collectively, shall be entitled to nominate one director on the board of directors of the Investment Manager. In this regard, we shall undertake the relevant actions, including in relation to amendments to the Trust Deed and the Investment Management Agreement within the timelines required under applicable law. We have also amended and adopted our Nomination and Remuneration Policy ("**NRC Policy**"), basis the SEBI circular dated September 11, 2023 bearing reference number SEBI/HO/DDHS-PoD-2/P/CIR/2023/153 and the InvIT Regulations, on October 6, 2023. Please see our amended NRC Policy at the website of IndiGrid at: https://www.indigrid.co.in/wp-content/uploads/2021/12/NRC_Policy-updated_04102023.pdf.

Meeting of Unitholders

Meetings of Unitholders will be conducted in accordance with the InvIT Regulations.

Passing of resolutions

1. With respect to any matter requiring approval of the Unitholders:

    (i) a resolution shall be considered as passed when the votes cast by Unitholders, so entitled and voting, in favour of the resolution exceed a certain percentage as specified in the InvIT Regulations, of votes cast against;

    (ii) the voting may be done by postal ballot or electronic mode;

    (iii) a notice of not less than 21 days shall be provided to the Unitholders;

    (iv) voting by any Unitholder (including, the Sponsor in its capacity as a Unitholder), who is a related party in such transaction, as well as associates of such Unitholder(s) shall not be considered on the specific issue;

    (v) the Investment Manager shall be responsible for all the activities pertaining to conducting of meeting of the

Unitholder, subject to overseeing by the Trustee.

However, for issues pertaining to the Investment Manager, including a change in Investment Manager, removal of Investment Manager or change in control of Investment Manager; the Trustee shall convene and handle all activities pertaining to conduct of the meetings. Additionally, for issues pertaining to the Trustee, including change in Trustee, the Trustee shall not be involved in any manner in the conduct of the meeting.

2. With respect to IndiGrid:

   (i) an annual meeting of all Unitholders shall be held not less than once a year within 120 days from the end of each financial year and the time between two meetings shall not exceed 15 months;

   (ii) with respect to the annual meeting of Unitholders,

      (a) any information that is required to be disclosed to the Unitholders and any issue that, in the ordinary course of business, may require approval of the Unitholders may be taken up in the meeting including:

         - latest annual accounts and performance of IndiGrid;
         - approval of auditor and fee of such auditor, as may be required;
         - latest valuation reports;
         - appointment of valuer, as may be required; and
         - any other issue;

      (b) for any issue taken up in such meetings which require approval from the Unitholders other than as specified in Regulation 22(6) of the InvIT Regulations and paragraph 4 below, votes cast in favour of the resolution shall be more than the votes cast against the resolution.

3. In case of the following, approval from the Unitholders shall be required where the votes cast in favour of the resolution shall be more than the votes cast against the resolution:

   (i) any approval from the Unitholders required in terms of Regulation 18 (*Investment conditions and dividend policy),* Regulation 19 (*Related party transactions)* and Regulation 21 *(Valuation of assets*) of the InvIT Regulations;

   (ii) any transaction, other than any borrowing, the value of which is equal to or greater than 25% of the InvIT Assets of IndiGrid;

   (iii) any borrowings, in terms of the limits specified under Regulation 20(3)(a) of the InvIT Regulations;

   (iv) any issue of Units after initial public offer by IndiGrid, in whatever form, other than any issue of Units which may be considered by SEBI, under Regulation 22(5) of the InvIT Regulations;

   (v) increasing period for compliance with investment conditions to one year in accordance with Regulation 18(5)(c) of the InvIT Regulations;

   (vi) any issue, in the ordinary course of business, which in the opinion of the Sponsor or the Trustee or the Investment Manager, is material and requires approval of the Unitholders, if any;

   (vii) de-classification of the status of the Sponsor;

   (viii) any issue for which SEBI or the designated stock exchanges requires approval.

4. In case of the following, approval from the Unitholders shall be required where the votes cast in favour of the resolution shall not be less than one and a half times the votes cast against the resolution:

   (i) any change in the Investment Manager, including removal of the Investment Manager or change in control of the Investment Manager;

   (ii) any material change in investment strategy or any change in the management fee of IndiGrid;

   (iii) the Trustee and Investment Manager proposing to seek delisting of units of IndiGrid under Regulation 17(1)(e) of the InvIT Regulations;

   (iv) any issue, not in the ordinary course of business, which in the opinion of the Sponsor or Investment Manager or Trustee requires approval of the Unitholders;

(v) any issue for which SEBI or the designated stock exchanges require approval;

(vi) any issue taken up on request of the Unitholders including:

(a) removal of the Investment Manager and appointment of another investment manager to IndiGrid;

(b) removal of the Auditor and appointment of another auditor to IndiGrid;

(c) removal of the Valuer and appointment of another valuer to IndiGrid;

(d) delisting of IndiGrid, if the Unitholders have sufficient reason to believe that such delisting would act in the interest of the Unitholders;

(e) any issue which the Unitholders have sufficient reason to believe that is detrimental to the interest of the Unitholders;

(f) change in the Trustee if the Unitholders have sufficient reason to believe that acts of such Trustee is detrimental to the interest of the Unitholders.

With respect to the rights of the Unitholders under clauses 4(vi) above:

(i) not less than 25% of the Unitholders by value, other than any party related to the transactions and its associates, shall apply, in writing, to the Trustee for the purpose;

(ii) on receipt of such application, the Trustee shall require, with the Investment Manager to place the issue for voting in the manner as specified in the InvIT Regulations;

(iii) with respect to clause 4(vi)(f) above, not less than 60% of the Unitholders by value shall apply, in writing, to the Trustee for the purpose.

5. In case of any borrowing by IndiGrid in terms of the limits specified under Regulation 20(3)(b) of the InvIT Regulations, the approval from 75% of the Unitholders by value shall be obtained.

6. No person, other than the Sponsor, its related parties and associates, shall acquire the Units of IndiGrid which taken together with the Units held by such person and by persons acting in concert with such person in IndiGrid, exceeds 25% of the value of the outstanding Units unless approval from 75% of the Unitholders by value excluding the value of the Units held by parties to the transaction is obtained. In the event the required approval is not received, an exit option is required to be provided to dissenting Unitholders to the extent and in the manner as may be specified by SEBI.

7. In case of any change in sponsor or inducted sponsor or change in control of sponsor or inducted sponsor, prior approval of 75% of the Unitholders by value excluding the value of Units held by parties related to the transaction is to be obtained. In the event the required approval is not received: (i) in case of change of sponsor or inducted sponsor, the proposed inducted sponsor shall provide an exit option to dissenting Unitholders to the extent and in the manner as may be specified by SEBI; and (ii) in case of change in control of sponsor or inducted sponsor, the said sponsor or inducted sponsor shall provide an exit option to dissenting Unitholders by buying their Units in the manner as may be specified by SEBI.

Information rights

The Investment Manager, on behalf of IndiGrid, shall also submit such information to the Stock Exchanges and Unitholders, on a periodical basis as may be required under the InvIT Regulations. The Investment Manager (on behalf of IndiGrid) shall disclose to the Stock Exchanges, Unitholders and SEBI, all such information and in such manner as specified under the InvIT Regulations and such other requirements as may be specified by SEBI. The Investment Manager, on behalf of IndiGrid, shall also provide disclosures or reports specific to the sector or sub-sector in which IndiGrid has invested or proposes to invest, in the manner as may be specified by SEBI.

Buyback and Delisting of Units

Any buyback or delisting of Units, will be in accordance with the InvIT Regulations.

For additional details in relation to rights of Unitholders, please see the section entitled "*Parties to IndiGrid – Key Terms of the Amended and Restated Trust Deed*" on page 134.

ISSUE INFORMATION

The following is a summary intended to present a general outline of the procedure relating to the bidding, application, payment of Application Amount, Allocation and Allotment of the Units pursuant to the Issue. The procedure followed in the Issue may differ from the one mentioned below and investors are assumed to have apprised themselves of the same from the Investment Manager or the Placement Agents. Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Investors that apply in the Issue will be required to confirm, and will be deemed to have represented to us, the Trustee, the Investment Manager, the Placement Agents, the Parties to the Trust and their respective directors, officers, agents, affiliates and representatives, that they are eligible under all applicable law, rules, regulations and guidelines to acquire the Units in the Issue. Also see "Selling Restrictions" beginning on page 355. IndiGrid, the Investment Manager, the Trustee, the Placement Agents, the Parties to the Trust and their respective directors, officers, agents, advisors, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to bid for, acquire or hold the Units in the Issue. The Trustee and the Investment Manager are acting on behalf of IndiGrid.

IndiGrid, the Investment Manager, the Trustee, the Placement Agents and their respective directors, officers, agents, advisors, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Investors are advised to make their independent investigations and satisfy themselves that they are Eligible Investors and are eligible to apply in the Issue. Eligible Investors are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Units that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible Investors shall be solely responsible for compliance with applicable securities laws, including the SEBI Insider Trading Regulations and the Policy on Unpublished Price-Sensitive Information and dealing in Units by the Parties to the Trust, other applicable law and dealing in securities of IndiGrid.

Authority for the Issue

THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT RELATE TO AN ISSUE BEING MADE ONLY TO ELIGIBLE INVESTORS AND NO OFFER IS BEING MADE TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document has not been, and will not be, filed as a prospectus with SEBI and, no Units will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible Investors.

The Issue is being made to Eligible Investors in reliance upon the SEBI Institutional Placement Guidelines and the InvIT Regulations, through the mechanism of an institutional placement. IndiGrid is eligible to undertake the Issue under the SEBI Institutional Placement Guidelines and the InvIT Regulations.

This Preliminary Placement Document and the Placement Document are private documents provided only to select Eligible Investors. Please note that if you do not receive a serially numbered copy of this Preliminary Placement Document addressed to you, you may not rely on this Preliminary Placement Document or the Placement Document uploaded or to be uploaded, as applicable, on the website of the Stock Exchanges or IndiGrid, with a disclaimer to the effect that it is in connection with an institutional placement and that no offer is being made to the public or to any other category of investors, for making an application to subscribe to Units pursuant to the Issue.

The Issue was authorized and approved by the Board of Directors of the Investment Manager on May 12, 2023 and approved by the Unitholders on June 6, 2023 in accordance with the InvIT Regulations and the SEBI Institutional Placement Guidelines.

Units being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on a recognized stock exchange.

The Units offered in the Issue have not been, and will not be, registered under the U.S. Securities Act or any other applicable law of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Units are only being offered and sold outside the United States in an "offshore transaction" as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For further information, please see the section entitled "*Selling Restrictions*" on page 355.

The Units have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Investment Manager has filed a copy of this Preliminary Placement Document with each of the Stock Exchanges. The

Trust has received in-principle approval from each of the Stock Exchanges under the SEBI Institutional Placement Guidelines pursuant to the letters dated December 5, 2023.

After the Allotment of Units pursuant to the Issue, the Investment Manager shall make applications to the Stock Exchanges for the listing approvals. Subsequently, after the credit of Units to the beneficiary accounts of the Allottees, the Investment Manager shall make applications to the Stock Exchanges for the final trading approvals.

Disclaimer of the Stock Exchanges

Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document;

2. warrant that the Units issued pursuant to the Issue will be listed or will continue to be listed on the Stock Exchanges; or

3. take any responsibility for the financial or other soundness of IndiGrid, its management or any scheme or project of IndiGrid.

It should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Units may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Issue Procedure

This Issue is being conducted in accordance with applicable law, in relation to the Allotment of Units under this Issue, IndiGrid is not in violation of any applicable law, including but not limited to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended. It is further represented by IndiGrid, the Investment Manager that any and all information provided by IndiGrid, the Investment Manager or the Sponsor and/or their respective agents and/or advisors, to any of the Eligible Investors, in relation to this Issue and/or the Allocation and Allotment of Units under this Issue and/or any information in relation to the Trust, its Portfolio Assets and/or their respective business and operations is (i) available in the public domain; and/or (ii) have been disclosed in this Preliminary Placement Document.

1. On the Issue Opening Date, the Investment Manager and the Placement Agents shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to Eligible Investors and the Application Form will be specifically addressed to each such Eligible Investor. The Placement Agents shall maintain a record of the Eligible Investors to whom a serially numbered Preliminary Placement Document and Application Form has been dispatched. The list of Eligible Investors to whom this Preliminary Placement Document and the Application Form is delivered will be determined by the Investment Manager in consultation with the Placement Agents and recorded in writing by the Investment Manager.

2. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account where the Application Amount is to be deposited, is addressed to a particular Eligible Investors, no invitation to make an offer to subscribe shall be deemed to have been made to such Eligible Investor.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

3. Eligible Investors may submit the Application Form, including any revisions thereof along with the Application Amount and a copy of the PAN card or PAN allotment letter, during the Issue Period to the Placement Agents.

4. Bidders will be required to indicate the following in the Application Form:

   - full official name of the Bidder to whom Units are to be Allotted, complete address, phone number, PAN, e-mail address and bank account details;

   - number of Units Bid for;

   - category to which they belong to, as indicated in the Application Form;

   - price at which they are agreeable to subscribe for the Units and the aggregate Application Amount for the number of Units Bid for;

11.
- details of the depository account to which the Units should be credited;
- a representation that such person is an "Institutional Investor" in terms of the InvIT Regulations;
- it has agreed to certain other representations set forth in the Application Form and this Preliminary Placement Document;
- eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form; and
- a representation that they are outside the United States and acquiring the Units in an "offshore transaction" as defined in and in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur, and they have agreed to certain other representations set forth in the section entitled "*Notice to Investors*" on page 9, and certain other representations made in the Application Form.

5. Each Bidder shall be required to make the entire payment of the Application Amount for the Units Bid for, along with the Application Form, only through electronic transfer to the Escrow Account within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Application Amount for the Units shall be made from the bank accounts of the relevant Bidders and the Investment Manager shall keep a record of the bank account from where such payment has been received. Application Amount payable on Units to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Pending Allotment, the Trustee and the Investment Manager shall ensure that the Application Amount received for subscription of the Units is kept in a separate bank account in the name of IndiGrid and shall only be utilized for adjustment against allotment of Units or refund of money to the Bidders till the time such Units are listed. Notwithstanding the above, in the event, among others, a Bidder is not Allocated Units in the Issue, or a Bidder withdraws the Bid prior to the Issue Closing Date or the number of Units Allocated to the Bidder is lower than the number of Units applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Application Amount is in excess of the amount equivalent to the product of the Units that have been Allocated to the Bidder and the Issue Price, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "- *Refunds*" below.

6. Once a duly completed Application Form is submitted by a Bidder and the Application Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible Investors shall be deemed to have been given notice of such date after receipt of the Application Form.

7. The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI.

8. Each eligible FPI is required to submit a separate Application Form.

9. Upon receipt of the duly completed Application Form and the Application Amount in the Escrow Account, after the Issue Closing Date, the Investment Manager shall, in consultation with the Placement Agents, determine the final terms, including the Issue Price of the Units to be issued pursuant to the Issue and Allocation and the successful Bidders to whom such Units have been Allocated.

10. Upon such determination, the Placement Agents, on behalf of IndiGrid, will send serially numbered CANs, along with the serially numbered Placement Document to the successful Bidders who have been Allocated Units in the Issue. The dispatch of a CAN, and the Placement Document (when dispatched) to a successful Bidder shall be deemed a valid, binding and irrevocable contract for successful Bidders to subscribe to the Units Allocated to such Bidders at an aggregate price equal to the product of the Issue Price and Units Allocated to such Bidders. The CAN shall contain details such as the number of Units Allocated to the successful Bidders, Issue Price and the aggregate amount received towards the Units Allocated. **Please note that the Allocation will be at the absolute discretion of the Investment Manager in consultation with the Placement Agents. The Placement Agents, the Investment Manager, the Trustee , and their respective directors, officers, employees, affiliates and, associates shall not take any responsibility for acts, mistakes, errors, omissions and commissions in relation to Applications. Please note that none of the Investment Manager, the Trustee or the Placement Agents shall be responsible for delay in the receipt of the Application Form not attributable to them or electronic transmission delays or failures, or if the Application Forms are delayed or misplaced in the transit.**

11. Upon dispatch of the serially numbered Placement Document, the Investment Manager shall Allot Units as per the details in the CANs sent to successful Bidders. The Investment Manager will inform the Stock Exchanges of the details of the Allotment.

12. After passing the resolution for Allotment and prior to the credit of Units into the beneficiary account of the successful Bidders maintained by the depository participant, the Investment Manager shall apply to the Stock Exchanges for listing approvals in respect of the Units Allotted pursuant to the Issue.

13. After receipt of the listing approvals from the Stock Exchanges, the Investment Manager shall ensure credit of the Units Allotted pursuant to the Issue into the beneficiary accounts of the respective Allottees.

14. The Investment Manager will then apply for the final trading approvals from the Stock Exchanges.

15. The Units that would have been credited to the beneficiary account with the Depository Participant of the successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

16. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and the Investment Manager may communicate the receipt of the listing and trading approvals to the Allottees. The Investment Manager, IndiGrid, the Trustee and the Placement Agents shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges.

17. The Bid Amounts will be transferred to the account of IndiGrid only after receipt of the final listing and trading approvals for the Units from the Stock Exchanges.

Who Can Bid?

Institutional Investors

Only Eligible Investors are eligible to invest in the Units pursuant to the Issue. Currently, Eligible Investors, who are eligible to participate in the Issue are:

- family trust or systematically important non-banking financial companies registered with Reserve Bank of India or intermediaries registered with SEBI, all with net-worth of more than five hundred crore rupees, as per the last audited financial statements

- qualified institutional buyer as defined in the SEBI ICDR Regulations consisting of the following:

  a) a mutual fund, venture capital fund, alternative investment fund and foreign venture capital investor registered with the SEBI;

  b) a foreign portfolio investor other than individuals, corporate bodies and family offices;

  c) a public financial institution;

  d) a scheduled commercial bank;

  e) a multilateral and bilateral development financial institution;

  f) a state industrial development corporation;

  g) an insurance company registered with the Insurance Regulatory and Development Authority of India;

  h) a provident fund with minimum corpus of ₹25 crore;

  i) a pension fund with minimum corpus of ₹25 crore registered with the Pension Fund Regulatory and Development Authority established under section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013;

  j) National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;

  k) insurance funds set up and managed by army, navy or air force of the Union of India;

  l) insurance funds set up and managed by the Department of Posts, India; and

  m) systemically important non-banking financial companies.

subject to such Eligible Investors not being excluded pursuant to the SEBI Institutional Placement Guidelines. No allotment will be made, either directly or indirectly, to the Sponsor or the Investment Manager, or any institutional investor who is a person related to, or related party or associate of, the Sponsor or the Investment Manager.

Further, the Institutional Placement Guidelines provides for allotment of units to a sponsor in an institutional placement for the unsubscribed portion in the institutional placement subject to certain conditions.

All Non-Resident Investors should note that, in accordance with the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended, including Press Note No.3 (2020 Series), dated April 17, 2020 issued by the DPIIT, where the beneficial owner of a proposed investment into India is situated in or is a citizen of a country that shares land border with India (but is not a multilateral bank or fund of which India is a member), approval of the Government will be required prior to such investment.

Eligible FPIs are permitted to participate in the Issue in accordance with the FEMA Rules read with applicable provisions of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 and other applicable foreign exchange laws and such other terms and conditions as may be prescribed by the SEBI from time to time.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Units. Investors who intend to trade in the Units should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Units. The Placement Agents, the Trustee and the Investment Manager accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Bidders.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with the Investment Manager, the Trustee, the Placement Agents and the Registrar not having any liability to the Bidders.

Bids by FPIs

Foreign Portfolio Investors (other than individuals, corporate bodies and family offices) are permitted to participate in the Issue subject to compliance with Schedule II, Schedule VIII and other applicable provisions of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended. In case of Bids by FPIs the payment should be paid as inward remittance from abroad through banking channels or out of funds held in accounts maintained in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016, along with documentary evidence in support of the remittance. In case of Bids made by FPIs, a certified true copy of the certificate of registration issued by the designated depository participant under the SEBI FPI Regulations is required to be attached along with the Application Form, failing which the Investment Manager, in consultation with the Placement Agents, reserves the right to reject the Bid.

Bids by SEBI registered VCFs and AIFs

The SEBI VCF Regulations prescribe, amongst others, the investment restrictions on VCFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Further, VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations. Additionally, VCFs and AIFs are subject to certain investment restrictions, including with respect to the percentage of investible funds held in each investee entity. Allotments made in respect of Bids by VCFs and AIFs in this Issue shall be subject to the rules and regulations that are applicable to each of them, respectively. In case of Bids made by VCFs or AIFs, a certified true copy of the certificate of registration issued by SEBI is required to be attached along with the Application Form failing which the Investment Manager, in consultation with the Placement Agents, reserves the right to reject the Bid.

Bids by Banking Companies

Bids may be made by banks as permitted by the RBI and is subject to conditions specified in the Prudential Guidelines – Banks' investment in units of REITs and InvITs dated April 18, 2017. In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which the Investment Manager, in consultation with the Placement Agents, reserves the right to reject the Bid.

Bids by Provident Funds

On March 2, 2015, the Ministry of Finance issued a notification allowing investments by non-government provident funds, superannuation funds and gratuity funds up to 5% in infrastructure investment trusts, as specified. On May 29, 2015, the

Ministry of Labour and Employment issued a notification allowing investments by provident funds up to 5% in infrastructure investment trusts, as specified. However, such investments by provident funds, superannuation funds and gratuity funds will be subject to, amongst others, the sponsor entity of the InvIT having a minimum of AA or equivalent rating in the applicable rating scale from at least two credit rating agencies registered with SEBI. In case of Bids made by provident funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund must be attached to the Application Form, failing which the Investment Manager, in consultation with the Placement Agents, reserves the right to reject the Bid.

Bids by NPS Schemes

The Pension Fund Regulatory and Development Authority ("**PFRDA**") has issued circulars allowing investments by national pension fund schemes (other than corporate central government schemes, corporate state government schemes, central government sector schemes, state government sector schemes, NPS Lite Schemes of NPS and Atal Pension Yojana schemes) ("**Non- Govt. NPS Schemes**") and corporate central government schemes, corporate state government schemes, central government sector schemes, state government sector schemes, NPS Lite Schemes of NPS and Atal Pension Yojana schemes ("**Govt. NPS Schemes**" and together with the Non-Govt NPS Schemes, the "**NPS Schemes**") to invest in units of infrastructure investment trusts that are listed or proposed to be listed. The cumulative investment in units and debt instruments of InvITs and REITs by NPS Schemes is not permitted to exceed 3% of the assets under management of the relevant pension fund at any time. Non-Govt. NPS Schemes are also not permitted to invest more than 5% of the units issued by a single InvIT. Such investment will be subject to, amongst other conditions, (i) for Govt. NPS Schemes, the units being rated AAA (or equivalent) in the applicable rating scale of the InvIT from at least two credit rating agencies registered with SEBI ("**CRAs**") and the rating of the sponsor floating the trust being AAA (or equivalent) in the applicable rating scale of the InvIT from at least two CRAs, and (ii) for Non-Govt. NPS Schemes, such securities being rated AA (or equivalent) in the applicable rating scale of the InvIT from at least two CRAs In case of Bids made by NPS Schemes, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form, failing which, the Investment Manager, in consultation with the Placement Agents, reserves the right to reject the Bid.

Bids by Mutual Funds

Bids may be made by mutual funds under all its schemes, existing and future, subject to the investment conditions and other restrictions prescribed under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (including, the circular on mutual funds dated February 28, 2017 and any other circulars, notifications and guidelines issued thereunder). In case of Bids made by Mutual Funds, a certified true copy of the certificate of registration issued by SEBI is required to be attached along with the Application Form, failing which the Investment Manager, in consultation with the Placement Agents, reserves the right to reject the Bid.

Bids by Insurance Companies

Bids may be made by insurance companies as permitted by the Insurance Regulatory and Development Authority of India in terms of the Master Circular – Investments, 2016 and the circular issued by the IRDAI entitled, Investment in Units of Real Estate Investment Trusts (REIT) & Infrastructure Investment Trusts (InvIT), dated March 14, 2017.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by Institutional Investors, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be submitted along with the Application Form. Failing this, the Investment Manager, in consultation with the Placement Agents, reserves the right to reject the Bid.

The Investment Manager, in consultation with the Placement Agents, in its absolute discretion, reserves the right to relax the above condition of simultaneous submission of the power of attorney along with the Application Form.

Allotments, if any, made to FVCIs, VCFs and AIFs in the Issue are subject to the respective rules and regulations that are applicable to each of them.

Note: *Affiliates or associates of the Placement Agents who are Eligible Investors may participate in the Issue in compliance with applicable law.*

Maximum and Minimum Bid Size

(i) Each Bidder is required to Bid for a minimum bid size in accordance with the InvIT Regulations and the SEBI Institutional Placement Guidelines.

(ii) No Bidder shall Bid for that number of Units which exceeds the Issue Size.

The Sponsor, the Investment Manager, the Trustee and the Placement Agents shall not liable for any amendment, modification or change in applicable law which occurs after the date of the Preliminary Placement Document. Eligible Investors are advised to make their independent investigations and satisfy themselves that they are eligible to apply in this Issue. Eligible Investors are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Units that can be held by them under applicable law or regulation or as specified in the Preliminary Placement Document.

Restriction on Allotment

Pursuant to the SEBI Institutional Placement Guidelines, allotment in the Issue shall not be made to an institutional investor who is a "sponsor" or "investment manager", each as defined under the InvIT Regulations, of the Trust or to a person related to, a related party or associate (as defined under the InvIT Regulations) of any of the Sponsor or the Investment Manager, provided that allotment of units can be made to the Sponsor for un-subscribed portion in the institutional placement subject to following conditions:

a. at least ninety percent of the issue size has been subscribed;
b. objects of the issue is acquisition of assets from that sponsor;
c. units allotted to sponsor shall be locked in as per Clause 3 of Annexure I of the SEBI Institutional Placement Guidelines;
d. unitholders approval shall be taken for unsubscribed portion being allotted to sponsor.

No Allotment shall be made pursuant to Bids submitted by Eligible Investors such that the Bid or subscription to the Units by the investor would result in acquisition of Units which, taken together with Units already held by such investor and any person acting in concert with such investor in IndiGrid, would exceed 25% of the value of the outstanding units of the Trust.

The Trustee, or the Valuer or an employee of the Valuer involved in the valuation of the Portfolio Assets or the assets proposed to be acquired out of the proceeds of the Issue are not permitted to invest in the Units.

Affiliates or associates of the Placement Agents, who are Eligible Investors, may participate in the Issue in compliance with applicable laws.

Bid Process

Application Form

Eligible Investors shall only use the serially numbered Application Forms (which are addressed to them) supplied by the Placement Agents in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document.

By making a Bid (including any revision thereof) for Units through Application Forms and pursuant to the terms of this Preliminary Placement Document, the Eligible Investors will be deemed to have made the following representations, warranties, acknowledgements, and undertakings given or made under the sections entitled "*Notice to Investors*" and "*Selling Restrictions*" on pages 9 and 355, respectively:

- The Eligible Investor confirms that it is an Institutional Investor and is not prohibited under the SEBI Institutional Placement Guidelines from participating in the Issue, has a valid and existing registration under the applicable law in India (to the extent applicable) and is eligible to participate in the Issue;

- The Eligible Investor acknowledges that it has no right to withdraw or revise its Bid after the Issue Closing Date;

- The Eligible Investor confirms that if Units are Allotted through the Issue, it shall not, for a period of one year from Allotment, sell such Units otherwise than on the Stock Exchanges;

- The Eligible Investor confirms that it is eligible to Bid and hold Units so Allotted together with any Units already held by it prior to the Issue. The Eligible Investor further confirms that its holding of the Units, does not and shall not, exceed the level permissible as per any applicable law applicable to the Eligible Investor;

- The Eligible Investor agrees that although the Application Amount is required to be paid by it along with the Application Form within the Issue Period, the Investment Manager (on behalf of IndiGrid) reserves the right to Allocate and Allot Units pursuant to the Issue on a discretionary basis in consultation with the Placement Agents. The Eligible Investor further acknowledges and agrees that the payment of Application Amount does not guarantee Allocation and/or Allotment of Units Bid for in full or in part;

- The Eligible Investor confirms that the Bid submitted by it or its subscription to the Units will not result in acquisition of Units which taken together with Units already held by it and any person acting in concert with it in IndiGrid exceeding 25% of the value of the outstanding units of IndiGrid;

- The Eligible Investor confirms that it is outside the United States, and is acquiring the Units in an "offshore transaction" as defined in and in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur, and is not our affiliate or a person acting on behalf of such an affiliate; and

- The Eligible Investor confirms that it shall not undertake any trade in the Units credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Units are issued by the Stock Exchanges.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, together with the FEMA Rules, investments where the beneficial owner of the Units is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the FEMA Rules.

ELIGIBLE INVESTORS MUST PROVIDE THEIR NAME, E-MAIL ID, BENEFICIARY ACCOUNT DETAILS/ DEMAT ACCOUNT, PAN, NATIONALITY, DEPOSITORY PARTICIPANT'S NAME, COMPLETE ADDRESS, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT/ DEMAT ACCOUNT IS HELD.

IF SO REQUIRED BY THE PLACEMENT AGENTS, THE ELIGIBLE INVESTORS SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE PLACEMENT AGENTS TO EVIDENCE THEIR STATUS AS AN "INSTITUTIONAL INVESTOR" AS SET OUT ABOVE.

IF SO REQUIRED BY THE PLACEMENT AGENTS, ESCROW COLLECTION BANK OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSURE, THE ELIGIBLE INVESTORS SUBMITTING A BID AND/OR BEING ALLOTTED UNITS IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form.

The submission of an Application Form and payment of the Application Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Units that may be Allotted to such Bidder and shall become a binding contract on a successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by the Investment Manager in favour of the successful Bidder.

Instructions for completing the Application Form

Bidders may note that forms not filled completely or correctly as per instructions provided in the Preliminary Placement Document and the Application Form are liable to be rejected. The Bids should adhere to the following:

(i) Bids must be made only in the prescribed Application Form;

(ii) Application Form must be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein and in the Application Form. Incomplete Application Forms are liable to be rejected. Bidders must provide details of valid and active DP ID, Client ID and PAN clearly and without error. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended shall not be considered for Allotment. Bidders should note that the Placement Agents and the Investment Manager will not be liable for errors in data entry due to incomplete or illegible Application Forms; and

(iii) Bidders are required to sign the Application Form. Bidders should ensure that the thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India, are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Units applied for along with payment and a copy of the PAN card or PAN allotment letter. Additionally, the Application Form will include details of the relevant Escrow Account into which the Application Amounts will have to be deposited. The Application Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the Placement Agents and/or the Investment Manager either through electronic form or through physical delivery at any of the following addresses:

Investment Manager
Unit No. 101
First Floor, Windsor
Village KoleKalyan
Off CST Road
Vidyanagari Marg, Kalina
Santacruz East
Mumbai 400 098
Tel: +91 22 6924 1311
E-mail: complianceofficer@indigrid.com

Axis Capital Limited
1st Floor, Axis House
C 2 Wadia International Centre
Pandurang Budhkar Marg, Worli
Mumbai - 400 025
Tel.: +91 22 4325 2183
Fax: +91 22 4325 3000
E-mail: indiagridinvit.qip@axiscap.in
Contact Person: Ria Arora/Kunal Malkan
SEBI Registration No.: INM000012029

Ambit Private Limited
Ambit House
449, Senapati Bapat Marg
Lower Parel
Mumbai – 400 013
Tel: +91 22 6623 3000
Fax: +91 22 6623 3100
E-mail: indigrid.qip2023@ambit.co
Contact Person: Nikhil Bhiwapurkar / Jitendra Adwani
SEBI Registration No.: INM000012379

HSBC Securities and Capital Markets India Pvt Ltd
52/60 Mahatma Gandhi Road
Fort, Mumbai - 400 001
Tel: +91 22 6864 1289
E-mail: indiagridtrustqip@hsbc.co.in
Investor Grievance E-mail: investorgrievance@hsbc.co.in
Website: https://www.business.hsbc.co.in/en-gb/regulations/hsbc-securities-and-capital-market
Contact Person: Rishi Tiwari
SEBI registration number: INM000010353

SBI Capital Markets Limited
1501, 15th Floor, A&B Wing, Parinee Crescenzo Building,
G-Block, Bandra Kurla Complex,
Bandra (East), Mumbai- 400 051
Tel: +91 22 4196 8300
E-mail: indigrid_qip_2024@sbicaps.com
Investor Grievance Email: investor.relations@sbicaps.com
Website: www.sbicaps.com
Contact person: Mandeep Singh
SEBI Registration Number: INM000003531

The Placement Agents, the Trustee and the Investment Manager shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Application Amount.

All Bidders submitting a Bid in the Issue shall pay the entire Application Amount during the Issue Period.

Payment of Application Amount

The Investment Manager has opened the Escrow Account (designated as "*INDIA GRID TRUST INSTITUTIONAL PLACEMENT ESCROW ACCOUNT*") with the Escrow Collection Bank, in terms of the Escrow Agreement. Bidders will be required to deposit the entire Application Amount payable for the Units applied for through the Application Form submitted by it in accordance with the applicable laws.

Payments are to be made only through electronic fund transfer.

Payments through cheque, demand draft or cash shall be rejected.

If the payment is not made favouring the Escrow Account within the Issue Period stipulated in the Application Form, the Bid is liable to be rejected.

Permanent Account Number or PAN

Each Bidder should mention its PAN allotted under the Income Tax Act, 1961 in the Application Form. Applications without this information will be considered incomplete and are liable to be rejected, except from Bidders which are not required to hold a PAN under applicable law. Bidders should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected.

Bank Account Details

Each Bidder shall mention the details of the bank account from which the payment of Application Amount has been made along with confirmation that such payment has been made from such account.

Pricing and Allocation

Build-up of the Book

The Eligible Investors shall submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the Placement Agents. Such Bids cannot be withdrawn or revised after the Issue Closing Date. The book shall be maintained by the Placement Agents.

Price Determination and Allocation

The Investment Manager, in consultation with the Placement Agents, shall determine the Issue Price in accordance with the SEBI Institutional Placement Guidelines. The Issue Price shall be at or above the Floor Price. However, the Investment Manager (on behalf of the Trust), in consultation with the Placement Agents, may offer a discount of not more than 5% on the Floor Price in terms of SEBI Institutional Placement Guidelines as approved by the Unitholders at their meeting on June 6, 2023.

After finalisation of the Issue Price, the Investment Manager shall update this Preliminary Placement Document with the Issue Price details and file the Placement Document with the Stock Exchanges.

Method of Allocation

The Investment Manager shall determine the Allocation in consultation with the Placement Agents on a discretionary basis in accordance with the allocation methodology approved by the board of directors of the Investment Manager and in compliance with InvIT Regulations and SEBI Institutional Placement Guidelines. After finalization of the Allocation, the Investment Manager will update this Preliminary Placement Document with the Issue details and file the Placement Document with the Stock Exchanges, and dispatch the CAN, together with a serially numbered Placement Document to each successful Bidder.

Bids received from the Bidders at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Bidders will be made at the Issue Price.

THE DECISION OF THE INVESTMENT MANAGER IN CONSULTATION WITH THE PLACEMENT AGENTS IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE INVESTORS. ELIGIBLE INVESTORS MAY NOTE THAT ALLOCATION OF UNITS IS AT THE SOLE AND ABSOLUTE DISCRETION OF THE INVESTMENT MANAGER IN CONSULTATION WITH THE PLACEMENT AGENTS AND ELIGIBLE INVESTORS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE APPLICATION AMOUNT AT OR ABOVE THE ISSUE PRICE. NEITHER THE INVESTMENT MANAGER NOR THE PLACEMENT AGENTS ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

Confirmation of Allocation Note or CAN

Based on receipt of the Application Forms and Application Amount, the Investment Manager, in consultation with the

Placement Agents, in its sole and absolute discretion, shall decide the successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Units Allocated to them, the Issue Price and the total amount received towards Units Allocated to them shall be notified to such successful Bidders.

The successful Bidders would also be sent a serially numbered Placement Document either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible Investors shall be deemed a valid, binding and irrevocable contract for the Eligible Investors to subscribe to the Units Allocated to such successful Bidders at an aggregate price equivalent to the product of the Issue Price and Units Allocated to such successful Bidders. Subsequently, Board of Directors or the Allotment Committee will approve the Allotment of the Units to the Allottees.

Eligible Investors are advised to instruct their Depository Participant to accept the Units that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, the Eligible Investors would have deemed to have made the representations and warranties as specified in the section entitled "*Notice to Investors*" on page 9 and further that such Eligible Investors shall not undertake any trade on the Units credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by the Stock Exchanges.

Designated Date and Allotment of Units

The Investment Manager, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment, the Investment Manager shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, the Investment Manager shall credit the Units into the beneficiary accounts of the successful Bidders. Following the credit of the Units into the successful Bidders' beneficiary accounts, the Investment Manager will apply for final listing and trading approvals from the Stock Exchanges.

The pre and post-Issue Unitholding pattern of IndiGrid will be filed by the Investment Manager with the Stock Exchanges and the Investment Manager will also file an allotment report with the SEBI providing details of the Allottees and the Allotment made.

After finalization of the Issue Price and Allocation of Units to the Bidders, the Investment Manager shall update this Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Refunds

In the event that the Units are not Allocated to a Bidder for any reason, or the number of Units Allocated to a successful Bidder is lower than the number of Units applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Application Amount paid by a successful Bidder is in excess of the amount equivalent to the product of the Units that have been Allocated to such Bidder and the Issue Price, or a Bidder withdraws the Application Form prior to the Issue Closing Date, or the Issue is cancelled prior to Allocation, the excess Application Amount paid by such Bidder will be refunded to the same bank account from which the Application Amount was remitted, in the form and manner set out in the CAN. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the date of issuance of the CAN.

Post Allotment, the Investment Manager shall make an application for listing of the units to the stock exchange(s) and the Units shall be listed within two working days from the date of Allotment.

If the Units are failed to be listed within the specified time, the monies received shall be refunded through verifiable means within four working days from the date of the allotment, and if any such money is not repaid within such time after the issuer becomes liable to repay it, IndiGrid, the Trustee (on behalf of the Trust) and the Investment Manager and its director or partner who is an officer in default shall, on and from the expiry of the fourth working day, be jointly and severally liable to repay that money with interest at the rate of 15% per annum.

Allotment pursuant to the Unitholders' resolution dated June 6, 2023 approving the Issue shall be completed within a period of 365 days from the date of passing of the unitholder resolution.

Other Instructions

Right to Reject Applications

The Investment Manager, in consultation with the Placement Agents, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of the Investment Manager in consultation with the Placement Agents in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected, the Application Amount paid by the Bidder shall be refunded to the same bank account from which the Application Amount was remitted by such Bidder. For details see "– *Bid Process*" and "– *Refund*" above.

Units in Dematerialized form with NSDL or CDSL

Investors should note that Allotment of Units to successful Bidders will only be in the dematerialized form. On Allotment, the Units will be traded only on the dematerialized segment of the Stock Exchanges.

The Allotment of the Units in the Issue shall be only in dematerialized form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible Investor applying for Units to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Units Allotted to an Eligible Investor will be credited in electronic form directly to the specified beneficiary account (with the Depository Participant) of the Eligible Investor.

Units in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Units to be issued pursuant to the Issue would be in dematerialized form only for all Eligible Investors in the demat segment of the respective Stock Exchanges.

The Investment Manager and the Placement Agents will not be responsible or liable for the delay in the credit of Units to be issued pursuant to the Issue due to errors in the Application Form, delays in payment of Application Amount or otherwise on the part of the Eligible Investor.

Release of Funds to Trust

The Escrow Collection Bank shall not release the monies lying to the credit of the Escrow Account to Trust until the receipt of final trading and listing approvals of the Stock Exchanges for Units offered in the Issue and the receipt of the relevant instructions.

SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document or any offering material and the offering, sale or delivery of the Units is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorized and/or by any person who is not an Eligible Investor.

General

No action has been taken or will be taken in connection with the Issue that would permit a public offering of the Units to occur in any jurisdiction, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to IndiGrid or the Units in any jurisdiction where action for such purpose is required. Accordingly, the Units may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering materials or advertisements in connection with the Units may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable SEBI regulations. Each purchaser of the Units in the Issue will be deemed to have made acknowledgments and agreements as described under the section entitled "*Notice to Investors*" on page 9.

India

This Preliminary Placement Document may not be distributed directly or indirectly in India or to residents of India and any Units may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible Investors and is not an offer to the public or any other class of investors other than Eligible Investors. This Preliminary Placement Document is neither a public issue nor a prospectus/offer document under the Companies Act, 2013 or the InvIT Regulations or the SEBI Institutional Placement Guidelines or an advertisement and should not be circulated to any person other than to whom it is addressed. This Preliminary Placement Document has not been and will not be registered as a prospectus in India. Units Allotted through the Issue shall not be sold by the Allottees for a period of one year from the date of allotment, except on a recognized stock exchange.

European Economic Area

In relation to each Member State of the European Economic Area (each a "Relevant State"), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Relevant State except that the Equity Shares may be offered to the public in that Relevant State at any time:

(i) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;

(ii) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the Placement Agents for any such offer; or

(iii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

(iv) provided that no such offer of the Equity Shares shall require the Trust or any Placement Agent to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Hong Kong

The Units have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Units, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Units which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO has been or will be issued, whether in Hong Kong or elsewhere.

Singapore

The Preliminary Placement Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore, and the Units will be offered pursuant to exemptions under the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**"). Accordingly, the Units may not be offered or sold or made the subject of an invitation for subscription or purchase nor may the Preliminary Placement Document or any other document or material in connection with the offer or sale or invitation for subscription or purchase of the Units be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Units are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six (6) months after that corporation or that trust has acquired the Units pursuant to an offer made under Section 275 of the SFA except:

  i. to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
  ii. where no consideration is or will be given for the transfer;
  iii. where the transfer is by operation of law;
  iv. as specified in Section 276(7) of the SFA; or
  v. as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT (CHAPTER 289 OF SINGAPORE)

Singapore Securities and Futures Act Product Classification – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the SFA (Chapter 289 of Singapore), the Trust has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Units are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations) 2018.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Preliminary Placement Document does not constitute or contain an offer of securities to the general public in the United Arab Emirates ("**UAE**"). No offering, marketing, promotion, advertising or distribution (together, "**Promotion**") of this document or the Units may be made to the general public in the UAE) unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to non-natural persons "**Qualified Investors**" (as such term is defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE. None of the SCA, the UAE Central Bank, the UAE Ministry of Economy or any other regulatory authority in the UAE has reviewed or approved the contents of this Preliminary Placement Document nor does any such entity accept any liability for the contents of this Preliminary Placement Document.

United Kingdom

The Preliminary Placement Document is only directed at, and will only be provided to, persons to whom interests may lawfully be promoted pursuant to section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**"). In particular, this Preliminary Placement Document is only directed at, and will only be provided to, investment professionals ("**Relevant Persons**") within the meaning of article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("**FPO**"). Any investment or investment activity to which the Preliminary Placement Document relates is available only to Relevant Persons and dealings hereunder will be made only with Relevant Persons. Persons who are not investment professionals within the meaning of article 19 of the FPO should not rely on the Preliminary Placement Document.

The Preliminary Placement Document has not been delivered for approval to the United Kingdom Financial Conduct Authority in the United Kingdom or to an authorized person within the meaning of the FSMA. No approved prospectus within the meaning of section 85 of the FSMA or of the Prospectus Regulation has been published or is intended to be published in relation to the Issue. The Preliminary Placement Document does not constitute a prospectus for the purposes of the FSMA or the Prospectus Regulation.

United States of America

Each purchaser or subscriber of Units in the United States will be deemed to have represented and agreed that it has received a copy of this Preliminary Placement Document and such other information as it deems necessary to make an investment decision and that:

(i) it understands and agrees that the Units have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state, territory or other jurisdiction of the United States and may not be offered, resold, pledged or otherwise transferred, except (1) in an "offshore transaction" complying with Rule 903 or Rule 904 of Regulation S, (2) pursuant to an exemption from the registration requirements of the Securities Act or (3) pursuant to an effective registration statement under the Securities Act and (4) in accordance with all applicable securities laws of any state, territory or other jurisdiction of the United States;

(ii) it understands that in the event Units are held in certificated form, such certificated Units will bear a legend substantially to the following effect:

"THE SECURITY EVIDENCED HEREBY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), ANY STATE SECURITIES LAWS IN THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, EXCEPT: (A) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT; (B) PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT; OR (C) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED UNDER THE SECURITIES ACT FOR RESALES OF THIS SECURITY.";

(iii) any resale made other than in compliance with the above stated restrictions shall not be recognised by the Trust;

(iv) it agrees that it will give to each person to whom it transfers Units notice of any restrictions on transfer of such Units;

(v) it agrees that neither it, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the Securities Act with respect to the Units; and

(vi) it acknowledges that the Trust, the Sponsor and the Placement Agents and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements deemed to have been made by virtue of its purchase of Units are no longer accurate, it will promptly notify the Trust, the Sponsor and the Placement Agents, and if it is acquiring any Units as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Other Jurisdictions

The distribution of this Preliminary Placement Document and the offer and sale of the Units may be restricted by law in certain jurisdictions. Persons into whose possession this Preliminary Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

TAXATION

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE TRUST AND ITS UNIT-HOLDERS UNDER THE APPLICABLE LAWS IN INDIA

The Board of Directors
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)
Unit No 101, First Floor,
Windsor Village, Kole Kalyan Off CST Road,
Vidyanagari Marg, Santacruz (East),
Mumbai-400098,
Maharashtra.

Dear Sirs/Madams,

Statement of Possible Tax Benefits available to India Grid Trust ("the Trust" or "issuer" or "InvIT") and its unit-holders under the applicable laws in India

1. We hereby confirm that the enclosed Annexure 1 (the "Annexure"), prepared by management of Indigrid Investment Managers Limited, (hereinafter referred as the "Investment Manager"), provides the possible tax benefits available to the Trust and to the unit-holders of the Trust under the Income-tax Act, 1961 (the "Act") as amended by the Finance Act 2023, i.e. applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25, presently in force in India (together, the **'Tax Laws'**). This statement can be included in the Preliminary Placement Document and the Placement Document proposed to be filed with the BSE Limited and National Stock Exchange of India Limited (collectively, the "Stock Exchanges") for the proposed offering ("the issue") of Units (the "Units" or "Securities"), by the Trust outside the United States, as required under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended. Several of these benefits are dependent on the Trust or its unit-holders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Trust and / or its unit-holders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Trust faces in the future, the Trust or its unit-holders may or may not choose to fulfil.

2. The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Investment Manager. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the offering.

3. We do not express any opinion or provide any assurance as to whether:

   i) the Trust or its unit-holders will continue to obtain these benefits in future;
   ii) the conditions prescribed for availing the benefits have been / would be met with; and
   iii) the revenue authorities/courts will concur with the views expressed herein.

4. The contents of the enclosed Annexure are based on information, explanations and representations obtained from the Trust and on the basis of their understanding of the business activities and operations of the Trust.

5. This Statement is issued solely in connection with the issue of units and is not to be used, referred to or distributed for any other purpose.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Huzefa Ginwala
Partner
Membership Number: 111757
UDIN: 23111757BGYQNH7688

Place of Signature: Pune
Date: December 5, 2023

ANNEXURE TO STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO INDIA GRID TRUST AND ITS UNITHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

The information provided below sets out the possible tax benefits available to the India Grid Trust and its unitholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of purchase, ownership and disposal of equity shares or units, under the Tax Laws presently in force in India. It is not exhaustive or comprehensive analysis and is not intended to be a substitute for professional tax advice.

I. UNDER THE INCOME-TAX ACT, 1961 (hereinafter referred to as 'the Act')

1. TAX BENEFITS AVAILABLE TO INDIA GRID TRUST ('IndiGrid' or 'Business trust') UNDER THE ACT

India Grid Trust is a publicly offered and listed Infrastructure Investment Trust in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended ('SEBI Regulations').

The following benefits are available to the Business trust after fulfilling conditions as per the applicable provisions of the Act and the guidelines prescribed by the Securities and Exchange Board of India ('SEBI') [including the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended] ('SEBI Regulations'). Business trust is defined under section 2(13A) of the Act to include trust registered as an Infrastructure Investment Trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014.

1.1 Tax benefit in the hands of IndiGrid in respect of interest and dividend income received from the Special Purpose Vehicle(s) ('SPVs'):

Interest and dividend received or receivable by the Business trust from the Project SPVs should be exempt from tax under section 10(23FC) of the Act as tax incidence will arise at the time of distribution of such income to unit holders. For the purposes of this section, SPV means an Indian company in which the Business trust holds controlling interest and specified percentage of shareholding or interest, as may be required by the regulations under which such trust is granted registration.

Further, in view of the provisions of section 14A of the Act, any expenditure incurred in relation to earning the above exempt income shall not be tax deductible. In case the Tax Authorities are not satisfied by the disallowance considered by IndiGrid, the quantum of disallowance shall be computed in accordance with the provisions of section 14A read with Rule 8D of the Income-tax Rules, 1961 ('the Rules').

1.2 Benefits in the hands of IndiGrid in respect of income other than the income from SPVs:

1.2.1 Dividend income from specified units

Finance Act, 2020 has discontinued the exemption available undersection 10(35) and hence the Business trust shall be liable to pay tax on dividends received on or after April 1, 2020 at maximum marginal rate.

Deduction of interest expense wholly and exclusively incurred for earning of such dividend income can be claimed under section 57 of the Act. However, such deduction is restricted to 20 per cent of dividend received.

1.2.2 Section 10(34A) of the Act - Income from buy back of shares

The provisions of section 115QA mandate domestic companies to pay an additional tax at the rate of 20% (plus applicable surcharge and cess) on buy-back of shares, on the amount of income determined as per Rule 40BB of the Rules. Correspondingly, income arising from buy-back of shares shall not be taxable as per section 10(34A) of the Act in the hands of IndiGrid.

Also, in view of the provisions of section 14A of the Act, any expenditure incurred in relation to earning such exempt income shall not be tax deductible. In case the Tax Authorities are not satisfied by the disallowance considered by IndiGrid, the quantum of disallowance shall be computed in accordance with the provisions of section 14A read with Rule 8D of the Rules.

1.2.3 Taxability of Capital Gains

In terms of section 115UA(2) of the Act, the total income of IndiGrid shall be chargeable to tax at the maximum marginal rates in force except for

a) Income chargeable to tax on transfer of Short-term Capital assets under section 111A;
b) Income chargeable to tax on transfer of Long-terms Capital assets under section 112 of the Act, respectively; and

c) Income referred to in para 1.1 above.

If the period of holding of a security (other than a unit) listed on a recognised stock exchange in India or a unit of the Unit Trust of India or a unit of an equity-oriented fund or a zero-coupon bond is more than 12 months, it will be considered a long-term capital asset as per section 2(29A) read with section 2(42A) of the Act. With respect to shares of a company not being listed on a recognized stock exchange, the determinative period of holding shall be more than 24 months for it to be regarded as long-term capital asset. With respect to other assets including a unit of a mutual fund other than equity oriented mutual fund or unit of a Business trust, the determinative period of holding is more than 36 months for it to be regarded as long-term capital asset. Asset not considered as long-term capital asset shall be regarded as short-term capital assets.

As per the provisions of section 111A of the Act, any income arising from transfer of short-term capital asset being an equity share in a company or a unit of an equity-oriented fund or a unit of an eligible Business trust, transacted through a recognized stock exchange and subject to securities transaction tax, shall be taxable at a concessional rate of 15% (plus applicable surcharge and cess if any).

As per the provisions of section 112(1)(d) of the Act, gains arising on the transfer of long-term capital assets shall be chargeable to tax in the hands of IndiGrid at the rate of 20% (plus applicable surcharge and cess). However, as per the proviso to section 112 of the Act, the tax on long-term capital gains resulting on transfer of Zero-Coupon Bonds or listed securities (other than unit), shall be taxable at a rate lower of the following:

- 10% (plus applicable surcharge and cess) without indexation benefit under second proviso to section 48; or
- 20% (plus applicable surcharge and cess) with indexation benefit under second proviso to section 48

Section 48 of the Act prescribes the mode of computation of Capital Gains and provides for deduction of cost of acquisition/ improvement and expenses incurred in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of Capital Gains. However, in respect of long-term capital gains, section 48 provides for substitution of cost of acquisition/ improvement with indexed cost of acquisition/ improvement, which adjusts the cost of acquisition/ improvement by a cost inflation index as prescribed from time to time. Such indexation benefit would not be available on bonds, debentures.

As per section 70 read with section 74 of the Act, short-term capital loss arising during a year is allowed to be set-off against short-term capital gains as well as long-term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years. Also, as per section 70 of the Act, long-term capital loss arising during a year is allowed to be set-off only against long-term capital gains. Balance loss, if any, shall be carried forward and set-off against long-term capital gains arising during subsequent eight assessment years.

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2. TAX BENEFITS AVAILABLE TO UNIT-HOLDERS OF IndiGrid

2.1 Benefits available to the Unitholders of IndiGrid:

Following tax benefit is specifically available to the unitholders of IndiGrid subject to the fulfilment of the conditions specified in the Act and SEBI Regulations:

2.1.1 Section 10(23FD) of the Act - Tax exemption in respect of income distributed by IndiGrid

As per the provisions of section 115UA(1) of the Act, the income distributed by IndiGrid shall be deemed to be of the same nature and in the same proportion in the hands of the Unitholder as if such income was received by or accrued to IndiGrid.

As per the provisions of section 10(23FD), any income referred to in section 115UA(1) of the Act and distributed by the Business trust shall not be included in the total income of the unitholders except for the following income:

a. Interest referred to in section 10(23FC)
b. Specified dividend i.e. dividend income received in cases where SPV has exercised the option under section 115BAA of the Act

Further, in view of the provisions of section 14A of the Act, any expenditure incurred in relation to earning the exempt income under section 10(23FD) shall not be tax deductible. In case the Tax Authorities are not satisfied by the disallowance considered by IndiGrid, the quantum of disallowance shall be computed in accordance with the provisions of section 14A read with Rule 8D of the Rules.

Interest income from loan given to SPVs [referred to in section 10(23FC)] received by the unitholders from IndiGrid shall be taxable as follows:

a) at the applicable tax rates, in case of resident unitholders; and
b) at 5% (plus applicable surcharge and cess) in case of non-resident Unitholders.

Further, in case the SPVs of IndiGrid are opting for the concessional tax rate under section 115BAA, the dividend received by the unit holders shall be taxable in their hands as follows:

c) at the applicable tax rates, in case of resident unitholders; and
d) at 20% (plus applicable surcharge and cess) in case of non-resident Unitholders.

As per section 57 of the Act, no deduction shall be allowable against the taxable dividend income other than deduction on account of interest expense wholly and exclusively incurred for earning of such dividend income. Further, such interest expense shall not exceed 20% of the gross dividend income from IndiGrid included in the total income for that year.

Under the provisions of section 90(2) of the Act, a non-resident will be governed by the provisions of the Agreement for Avoidance of Double Taxation ('tax treaty') between India and the country of tax residence of the non-resident, and the provisions of the Act apply to the extent they are more beneficial to the non-resident assessee.

2.1.2 Distribution in the form of loan repayment by SPV to IndiGrid and taxability in the hands of unitholders of IndiGrid:

The Act has specific provisions for taxation of the income of Business trust such as dividend, interest and capital gains. However, there are certain distributions such as debts repayment by SPV to IndiGrid which are further distributed by IndiGrid to its unitholders and the debts repayments are not covered in the tax regime for Business trust. Accordingly, the Finance Act, 2023 has introduced a new provision whereby any other distributions (such as repayment of debt) by Business trusts that presently do not suffer taxation either in the hands of Business trust or in the hands of unit holders, will henceforth be taxed as "other income" in the hands of unit holders under section 56(2)(xii) of the Act.

Section 56(2)(xii) of the Act provides the manner of computing the distribution which is taxable as "Other Income" in the hands of unit holders referred to as "Specified sum" which shall be the result of 'A – B - C', where:

- A = Cumulative distributions made by the Business trust to the unit holders during the current tax year with respect to the units held by the current unit holder or an old unit holder, [not being in the nature of interest, dividend [which is claimed as exempt under section 10(23FC)(b)] rental income, and any sum chargeable to tax in the hands of the Business trust]
- B = Issue price of the units

- C = Amount charged to tax under this new provision in any previous tax year

Where B + C > A, the specified sum shall be deemed to be NIL.

In a situation where, the cost of acquisition in the hands of the unitholder in respect of units held and distributions made in the nature of return of capital prior to 1 April 2023 is to be determined, the cost of acquisition in the hands of unitholders as on 1 April 2023 would be the cost of acquisition of the units reduced by the distributions received by the unitholder in the nature of return of capital.

In a situation where, the cost of acquisition in the hands of the unitholder in respect of units held and distributions made in the nature of return of capital post 1 April 2023 is to be determined, the distribution received in respect of a unit in the nature of return of capital which does not result in an actual tax outflow under section 56(2)(xii) should be reduced from the cost of acquisition of a unit. Otherwise, when the computation under section 56(2)(xii) results in an actual tax liability, such distribution in the nature of return of capital should not be reduced from the cost of acquisition.

The rate of tax on income from other sources is the tax rate (plus applicable surcharge and cess) applicable for residents and 40% (plus applicable surcharge and cess) for non-residents subject to the beneficial rate provided in the tax treaty.

Other income (income other than interest or dividend income or income chargeable to tax under section 56(2)(xii) of the Act) such as treasury income earned by the Business trust and distributed to unitholder shall be exempt in hands of unitholders as the same shall be taxable in the hands of Business trust. Further, there shall be no withholding on distribution of such other income by the Business trust to the unitholders.

2.1.3 Section 10(23FE) of the Act - Tax exemption in respect of specified income earned by notified Sovereign Wealth Funds and Provident Funds

Finance Act, 2020 (further amended by the Finance Act, 2023) has introduced a specific tax exemption under section 10(23FE) of the Act to ‘Specified Persons’ with respect to the income in the nature of **dividend, interest, long-term capital gains or other income as specified in section 56(2)(xii) of the Act** arising from direct India investments made on or after 1 April 2020 but on or before 31 March 2024, inter alia, in units of an Infrastructure Investment Trust, if such investment is:

a. made on or after the 01 April 2020 but on or before the 31 March 2024
b. is held for at least 3 years

For the purposes of the above exemption, following investors are considered as ‘Specified Persons’:

a. Wholly owned subsidiaries of Abu Dhabi Investment Authority;
b. notified foreign Sovereign Wealth Fund (‘SWF’); and
c. notified foreign pension Fund (‘PF’).

For the purpose of claiming the aforesaid exemption, the aforesaid ‘Specified Persons’ need to be specifically notified under section 10(23FE) and need to satisfy the conditions specified in the notification.

In this regard, please note that there are no amendments in the withholding tax provisions under the Act for providing exemption from withholding taxes on above mentioned income accruing to specified persons, however, they are eligible to apply for a lower/ nil withholding certificate.

2.1.4 Implications on transfer of shares held by Sponsor in Project SPVs to trust

According to section 47(xvii) of the Act, any transfer of a capital asset, being shares of an SPV to a business trust in exchange of units allotted by that trust to the transferor shall not be regarded as transfer and accordingly not be liable to capital gains tax.

According to section 49(2AC) of the Act, the cost of units acquired in lieu of shares in SPV shall be deemed to be cost of acquisition of shares in SPV.

As per the amendment by the Finance Act, 2023, the amount of distribution received to the extent not chargeable to tax under section 56(2)(xii) of the Act and not covered under sections 10(23FC), 10(23FCA) or 115UA(2) of the Act shall be reduced from the cost of units.

As per clause (hc) of explanation 1 of section 2(42A) of the Act, for ascertaining the period of holding of such units, the period of holding of shares in SPV shall also be included.

2.1.5 Avoidance of tax by certain transaction in securities- section 94 of the Act

As per section 94(1) of the Act, where any person owning securities sells or transfers the same or similar securities and buys back or reacquires those securities and the result of the transaction is that any interest becoming payable in respect of the securities is receivable otherwise than by such owner, the said interest, whether it would or would not have been chargeable to income-tax apart from the provisions of section 94(1) of the Act, would be deemed to be the income of the owner of the securities and not to be the income of any other person subject to certain specified conditions.

As per section 94(2) of the Act, where any person has had at any time during any previous year any beneficial interest in any securities, and the result of any transaction relating to such securities or the income thereof is that, in respect of such securities within such year, either no income is received by him or the income received by him is less than the sum to which the income would have amounted if the income from such securities had accrued from day to day and been apportioned accordingly, then the income from such securities for such year shall be deemed to be the income of such person.

Section 94(7) of the Act provides that losses arising from the sale/ transfer of securities or units of a mutual fund or the Unit Trust of India or Business Trust or Alternative Investment Fund purchased within a period of three months prior to the record date and sold/ transferred within three (for shares)/ nine (for units) months after such date, will be disallowed to the extent dividend income on such shares is claimed as exempt from tax.

Further, as per section 94(8) of the Act, if an investor purchases securities or units of mutual fund or the Unit Trust of India or Business Trust or Alternative Investment Fund within three months prior to record date for entitlement of bonus securities or units and is allotted bonus securities or units without any payment on the basis of original holding on the record date and such person sells/ redeems the original units within nine months of the record date, then the loss arising from sale/ redemption of the original units within nine months of the record date will be ignored for the purpose of computing income chargeable to tax and the amount of such loss ignored shall be regarded as cost of acquisition of the securities or bonus units.

2.2 <u>Other Benefits available to all the Unitholders of IndiGrid:</u>

2.2.1 <u>For resident Unitholder:</u>

For the purpose of computation of capital gains on sale of units of Trust, consideration received on sale of units of the Business trust shall be reduced by cost of acquisition of such units and expenditure incurred wholly and exclusively in connection with such sale.

As per the amendments made in the Finance Act 2023, the amount of distribution to the extent not chargeable to tax u/s 56(2)(xii) of the Act and not covered u/s 10(23FC), 10(23FCA) or 115UA(2) of the Act, shall be reduced from the cost of units, for the purpose of computation of capital gains.

Income arising from transfer of units of IndiGrid held for more than 36 months and subject to securities transaction tax, shall be considered as long-term capital assets. Assets not considered as long-term capital assets shall be considered as short-term capital assets.

Long term capital gain exceeding Rs.1,00,000 on transfer of units of through a recognized stock exchange and subject to securities transaction tax, shall be taxable at the concessional rate of 10% (plus applicable surcharge and cess) as per the provisions of section 112A of the Act.

Income arising on transfer of units of the Business trust that are long-term capital assets, which is not covered under the provisions of section 112A, shall be chargeable to tax at 20%, with indexation benefit (plus applicable surcharge and cess) under section 112 of the Act.

Short-term capital gains arising on transfer of the units of the Trust will be chargeable to tax at the rate of 15% (plus applicable surcharge and cess) as per the provisions of section 111A of the Act provided such transaction is subject to STT and through a recognized stock exchange. In case of a Unitholder being an individual or HUF, where the total taxable income as reduced by short-term capital gains is below the basic exemption limit, the short-term capital gains will be reduced to the extent of the shortfall and only the balance short-term capital gains will be subjected to such tax in accordance with the proviso to sub-section (1) of section 111A of the Act.

Short-term Capital Loss computed for the given year is allowed to be set-off against Short-term/ Long-term Capital Gains computed for the said year under section 70 of the Act. Further, as per Section 71 of the Act, short-term capital loss for the year cannot be set-off against income under any other heads for the same year. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years. Also, as per section 70 of the Act, long-term capital loss arising during a year is allowed to be set-off only against long-term capital gains. Balance loss, if any, shall be carried forward and set-off against long-term capital gains arising during subsequent eight assessment years.

Where the gains arising on the transfer of the units of IndiGrid are included in the business income of an assessee assessable under the head "Profits and Gains from Business or Profession" and on which securities transaction tax has been charged, such securities transaction tax shall be a deductible expense from business income as per the provisions of section 36(1)(xv) of the Act. The characterisation of gains/ losses, arising from sale of shares, as capital gains or business income would depend on the nature of holding in the hands of the unitholders and various other factors.

Applicability of Minimum Alternate tax (MAT)/ Alternate Minimum Tax (AMT)

In case of domestic companies that are liable to pay MAT under provisions of section 115JB of the Act, the gains arising, if any, on sale of units of trust are to be included as part of book profits for the purpose of computing MAT liability. MAT paid by such companies should be available as credit for set-off against future tax liability, provided such companies do not opt to be governed by the concessional tax rates u/s 115BAA or 115BAB of the Act. Companies exercising the option to be taxed as per section 115BAA and 115BAB of the Act have been excluded from the applicability of MAT.

However, as per clause (iie)/(fc) to explanation 1 to section 115JB of the Act, the following shall not be considered while computing book profits for levy of MAT:

- notional gain/loss on transfer of shares of SPV in exchange of units allotted by the business trust referred to in clause (xvii) of section 47; or
- notional gain/loss resulting from any change in carrying amount of said units; or
- gain/loss on transfer of units allotted by the business trust referred to in clause (xvii) of section 47.

Further, as per clause (k)/(iif) of explanation 1 to section 115JB of the Act, any gain/loss on transfer of units referred to in clause (xvii) of section 47 of the Act shall be considered while computing the book profit for levy of MAT by taking into account the cost of the shares exchanged with units referred to in the said clause or the carrying amount of the shares at the time of exchange where such shares are carried at a value other than the cost through statement of profit and loss, as the case may be.

In case of unitholders, other than companies, that are liable to Alternate Minimum Tax (AMT) under provisions of section 115JC of the Act, the gains arising, if any, on sale of units of InvIT are to be included as part of adjusted total income for the purpose of computing AMT liability. AMT paid by such unitholders should be available as credit for set-off against future tax liability, provided they do not opt to be governed by the concessional tax rates u/s 115BAC or 115BAD of the Act.

Other income (income other than interest or dividend income or income chargeable to tax under section 56(2)(xii) of the Act) received from Trust such as treasury income earned by Trust and distributed to unitholder shall be exempt in hands of unitholders as the same shall be taxable in the hands of Trust. Further, there shall be no withholding on distribution of such other income by the Trust to the unitholders.

Investors are advised to consult their tax advisor for computation of capital gains including cost of acquisition of units as per Indian tax laws in each case.

2.2.2 <u>For unitholders who are Foreign Portfolio Investors ('FPIs')/ Foreign Institutional Investors ('FIIs'):</u>

As per section 2(14) of the Act, transfer of any shares/ securities (other than those held as stock in trade) being invested in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 shall be deemed to be treated as Capital Gains.

Income arising from transfer of units of IndiGrid held for more than 36 months and subject to /securities transaction tax, shall be considered as long-term capital assets. Assets not considered as long-term capital assets shall be considered as short-term capital assets.

Section 115AD read with section 112A of the Act provides for concessional rate of 10% (plus applicable surcharge and cess) on long term capital gains (exceeding Rs. 1,00,000) arising from transfer of units of IndiGrid, if such transfer is subject to STT. The benefit of indexation under the second proviso to section 48 of the Act shall not be applicable for computing long term capital gains taxable under section 112A of the Act.

As per section 115AD of the Act, the tax on long term capital gains resulting on transfer of listed units of IndiGrid (other than those covered under section 112A) shall be at 10% (plus applicable surcharge and cess) without indexation benefit.

Under section 115AD(1)(ii) of the Act, income by way of short-term capital gains arising to the FPI/ FII on transfer of units of IndiGrid shall be chargeable at the rate of 15% (plus applicable surcharge and cess) if such transaction of sale is entered on a recognised stock exchange in India and is chargeable to STT.

As per section 70 read with section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term capital gains as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years. Long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent eight assessment years.

In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the FII is a tax resident. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the FII.

Pursuant to Central Board of Direct Tax press release dated 24 September 2015, the Government has clarified the inapplicability of Minimum Alternate Tax provisions to FIIs/FPIs.

Investors are advised to consult their tax advisor for computation of capital gains including cost of acquisition of units as per Indian tax laws in each case.

2.2.3 <u>For non-resident Unitholder (other than FIIs/ FPIs):</u>

For the purpose of computation of capital gains on sale of units of Trust, consideration received on sale of units of the Business trust shall be reduced by cost of acquisition of such units and expenditure incurred wholly and exclusively in connection with such sale.

As per the amendments made in the Finance Act 2023, the amount of distribution to the extent not chargeable to tax u/s 56(2)(xii) of the Act and not covered u/s 10(23FC), 10(23FCA) or 115UA(2) of the Act, shall be reduced from the cost of units, for the purpose of computation of capital gains.

Income arising from transfer of units of IndiGrid held for more than 36 months and subject to securities transaction tax, shall be considered as long-term capital assets. Assets not considered as long-term capital assets shall be considered as short-term capital assets.

Section 112A of the Act provides for concessional rate of 10% (plus applicable surcharge and cess) on long term capital gains (exceeding Rs. 1,00,000) arising from the units of IndiGrid, if such transaction is subjected to STT. The benefit of indexation under the second proviso to section 48 of the Act shall not be applicable for computing long term capital gains taxable under section 112A of the Act.

As per section 112 of the Act, the tax on long term capital gains resulting on transfer of listed units of IndiGrid (other than those covered under section 112A) shall be the lower of the following:
a. 20% (plus applicable surcharge and cess) with indexation benefit; or
b. 10% (plus applicable surcharge and cess) without indexation benefit.

As per the provisions of section 111A of the Act, short term capital gain arising from transfer of units of IndiGrid through a recognized stock exchange and subject to STT shall be taxable at a concessional rate of 15% (plus applicable surcharge and cess if any).

As per section 70 read with section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term capital gains as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years. Long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent eight assessment years.

Where the gains arising on the transfer of shares of the company are included in the business income of an assessee assessable under the head "Profits and Gains from Business or Profession" and on which securities transaction tax has been charged, such securities transaction tax shall be a deductible expense from business income as per the provisions of section 36(1)(xv) of the Act. The characterisation of gains/ losses, arising from sale of shares, as capital gains or business income would depend on the nature of holding in the hands of the unitholder and various other factors.

Under the provisions of section 90(2) of the Act, a non-resident will be governed by the provisions of the tax treaty between India and the country of tax residence of the non-resident and the provisions of the Act apply to the extent they are more beneficial to the non-resident assessee.

As per Explanation 4 to section 115JB(2), the provisions of section 115JB shall not be applicable to a foreign company if the foreign company is a resident of a country having tax treaty with India and such foreign company does not have a permanent establishment within the definition of the term in the relevant tax treaty, or the foreign company is a resident of a country which does not have a tax treaty with India and such foreign company is not required to seek registration under section 592 of the Companies Act 1956 or section 380 of the Companies Act 2013.

Investors are advised to consult their tax advisor for computation of capital gains including cost of acquisition of units as per Indian tax laws in each case.

2.2.4 <u>For unitholders who are Mutual Funds:</u>

Under section 10(23D) of the Act, any income earned by a Mutual Fund registered under the Securities and Exchange Board of India Act, 1992, or a Mutual Fund set up by a public sector bank or a public financial institution, or a Mutual Fund authorised by the Reserve Bank of India would be exempt from income-tax, subject to such conditions as the Central Government may by notification in the Official Gazette specify in this behalf.

2.2.5 <u>For Venture Capital Companies/ Funds:</u>

a. For Venture Capital Fund ('VCF')/ Venture Capital Company ('VCC') (registered post 21 May 2012)

VCF/ VCC registered post 21 May 2012 shall be classified as a Category 1 or a Category II Alternate Investment Fund which shall be governed by the SEBI (AIF) Regulations 2012 or under the International Finance Services Centre Authorities Act, 2019. For such funds benefit of section 10(23FB) and section 115U shall not be applicable and shall be governed section 115UB read with section 10(23FBA) and 10(23FBB) which states that business income earned by such fund shall be taxable in the hands of the Fund and exempt in the hands of the unit holders, and other income earned viz. capital gains, income from other sources shall be exempt in the hands of the fund and taxable in the hands of unit holder.

II. TAX DEDUCTION AT SOURCE

Section 193 – Interest on securities distributed/ paid by SPVs to IndiGrid:

As per section 193 of the Act, interest income distributed/ paid by an SPV to IndiGrid shall not be subject to withholding tax.

<u>Section 194LBA – Certain income from units of IndiGrid:</u>

Where any distributed income payable by IndiGrid referred in section 115UA, is in the nature referred to in sub clause (a) of clause (23FC) of section 10 i.e., interest, to its unitholder being a resident, shall at the time of credit of such payment deduct tax at the rate of 10%.

In case payment referred to above is made to a non-resident unit holder, then the same shall be subjected to the tax deduction at the rate of 5% (Plus applicable surcharge and cess).

Where any distributed income payable by IndiGrid referred in section 115UA, is in the nature referred to in sub clause (a) of clause (23FC) of section 10 i.e. any dividend is received from SPV which has exercised the option under section 115BAA of the Act, shall at the time of credit of such payment to the account of the payee or at the time of payment, whichever is earlier, deduct tax at the rate of 10%. In case of payments to non-resident unit holders, the rate of 10% shall be further increased by applicable surcharge and cess.

No tax is required to be deducted on dividend income distributed by IndiGrid to the unit holders, in case such dividend is received from an SPV which has not opted for the option under section 115BAA.

Further, the unitholders are now eligible to apply for a lower/ nil withholding certificate for income on which tax deduction at source is undertaken under section 194LBA of the Act (amended by Finance Act, 2023).

<u>Section 194 – Dividend distribution by the SPVs to IndiGrid:</u>

As per section 194 of the Act, dividend income distributed/ paid by an SPV to IndiGrid shall not be subject to withholding tax.

<u>Section 194A – Interest paid by the SPVs to IndiGrid on loans:</u>

As per Clause (xi) of sub-section 3 to section 194A of the Act, interest income paid by the SPVs to IndiGrid in respect of the loans shall not be subjected to any withholding tax.

<u>Section 196 – Distribution by IndiGrid to Mutual Funds:</u>

As per section 196 of the Act, no tax is to be deducted from income distributed/ paid by IndiGrid to a Mutual Fund specified under section 10(23D) of the Act.

<u>Applicability of other provisions</u>

No income tax is deductible at source from income by way of capital gains arising to a resident unitholder under the present provisions of the Act. However, as per the provisions of Section 195 of the Act, any income by way of capital gains payable to non-residents may be subject to withholding of tax at the rate under the domestic tax laws or under the tax laws or under the tax treaty, whichever is beneficial to the assessee, unless a lower withholding tax certificate is obtained from the tax authorities. However, the non-resident investor will have to furnish a certificate of him being a tax resident in a country outside India and a suitable declaration for not having a fixed base/ permanent establishment in India, to get the benefit of the applicable tax treaty and such other documents as may be prescribed as per the provision of section 90(4) of Act.

Pursuant to amendment in section 206AA vide notification 53/2016 dated 24 June 2016 introducing Rule 37BC, requirement of quoting permanent account number (PAN) in case of certain specified income is eliminated by maintaining specified documents as mentioned in the said notification.

Provisions of section 206AB of the Act shall not be applicable on payment made to a non-resident who does not have a permanent establishment in India.

Notes:

1. Business trust is compulsorily required to file Income-tax return as per section 139(4E) of the Act.

2. The income-tax rates specified in this note are as applicable for the financial year 2023-24, and are exclusive of surcharge and education cess, if any. Rate of surcharge and cess are provided below:

<u>Surcharge:</u>

Domestic companies (not opting for Section 115BAA/ 115BAB):

If the net income does not exceed INR 10 million – Nil
If the net income exceeds INR 10 million but does not exceed INR 100 million - 7 per cent
If the net income exceeds INR 100 million - 12 per cent

Domestic companies (opting for Section 115BAA/ 115BAB): 10%

Foreign companies:

If the net income does not exceed INR 10 million - Nil
If the net income exceeds INR 10 million but does not exceed INR 100 million - 2 per cent
If the net income exceeds INR 100 million - 5 per cent

Individuals, HUF, AOP and BOI:

If the net income does not exceed INR 5 million – Nil
If the net income exceeds INR 5 million but does not exceed INR 10 million – 10 per cent
If the net income exceeds INR 10 million but does not exceed INR 20 million – 15 per cent
If the net income exceeds INR 20 million but does not exceed INR 50 million – 25 per cent
If the net income exceeds INR 50 million – 37 per cent

The enhanced surcharge of 25% and 37%, is not levied on income chargeable to tax under sections 111A, 112, 112A and 115AD. The maximum rate of surcharge on tax payable on such incomes shall be 15 per cent.

The enhanced surcharge of 37%, is not levied, if such persons has opted for a new tax regime under section 115BAC of the Act. The maximum rate of surcharge on tax payable on such incomes shall be 25 per cent.

For other assessees, surcharge at the rate of 12% shall be applicable if the total income exceeds INR 10 million.

Health and Education cess:

In all cases, health and education cess will be levied at the rate of 4 per cent of income-tax and surcharge.

3. The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of Shares, units and other securities.

4. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

5. The stated benefits will be available only to the sole/ first named holder in case the units are held by joint holders.

6. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the applicable tax treaty, if any, between India and the country in which the non-resident has fiscal domicile.

7. This statement is intended only to provide general information to the investors and is neither designed nor intended to be substituted for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the scheme.

8. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any person in respect of this statement.

9. This statement of possible direct tax benefits enumerated above is as per the Act as amended by the Finance Act, 2023. The above statement of possible Direct-tax Benefits sets out the possible tax benefits available to the Business trust and its unitholders under the current tax laws presently in force in India. Several of these benefits available are dependent on the taxpayer's parties to the transaction fulfilling the conditions prescribed under the relevant tax laws.

10. The information provided above sets out the possible tax benefits available to the unit holders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of units and other securities, under the current tax laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the units particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation impacting the benefits, which an investor can avail.

DECLARATION

The Investment Manager declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Preliminary Placement Document are material, true, correct, not misleading and adequate in order to enable the Bidders to make a well informed decision.

For IndiGrid Investment Managers Limited

Sd/-

Tarun Kataria
Independent Director

Date: December 5, 2023
Place: Singapore

DECLARATION

The Investment Manager declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Preliminary Placement Document are material, true, correct, not misleading and adequate in order to enable the Bidders to make a well informed decision.

For IndiGrid Investment Managers Limited

Sd/-

Ashok Sethi
Independent Director

Date: December 5, 2023
Place: Mumbai

DECLARATION

The Investment Manager declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Preliminary Placement Document are material, true, correct, not misleading and adequate in order to enable the Bidders to make a well informed decision.

For IndiGrid Investment Managers Limited

Sd/-

Jayashree Vaidhyanathan
Independent Director

Date: December 5, 2023
Place: Chennai

DECLARATION

The Investment Manager declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Preliminary Placement Document are material, true, correct, not misleading and adequate in order to enable the Bidders to make a well informed decision.

For IndiGrid Investment Managers Limited

Sd/-

Hardik Shah
Non-Executive Non-Independent Director

Date: December 5, 2023
Place: Mumbai

DECLARATION

The Investment Manager declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Preliminary Placement Document are material, true, correct, not misleading and adequate in order to enable the Bidders to make a well informed decision.

For IndiGrid Investment Managers Limited

Sd/-

Ami Momaya
Non-Executive, Non- Independent Director

Date: December 5, 2023
Place: Mumbai

DECLARATION

The Investment Manager declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Preliminary Placement Document are material, true, correct, not misleading and adequate in order to enable the Bidders to make a well informed decision.

For IndiGrid Investment Managers Limited

Sd/-

Harsh Shah
Chief Executive Officer and Whole-Time Director

Date: December 5, 2023
Place: Mumbai

DECLARATION

The Trustee declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Trustee further certifies that all the statements and disclosures in this Preliminary Placement Document are material, true, correct, not misleading and adequate in order to enable the Bidders to make a well informed decision.

For Axis Trustee Services Limited

Sd/-

Authorised Signatory

Date: December 5, 2023
Place: Mumbai

ANNEXURE A

VALUATION REPORT

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Report on Fair Enterprise Valuation of the SPVs of India Grid Trust

Valuation Date: 30th September 2023

Mr. Manish Gadia, Registered Valuer
IBBI Registration No.: IBBI/RV/06/2019/11646

Date: 5th December 2023

The Board of Directors
IndiGrid Investment Managers Limited
(Investment Manager of India Grid Trust)
Unit No. 101, 1st Floor,
Windsor Village, Kole Kalyan Off CST Road,
Vidyanagari Marg, Santacruz (E),
Mumbai - 400 098,
Maharashtra,
India.

The Axis Trustee Services Limited
(Trustee of India Grid Trust)
The Ruby, 2nd Floor, SW,
29,Senapati Bapat Marg,
Dadar (W), Mumbai - 400028,
Maharashtra, India.

Sub: Independent Fair Enterprise Valuation of the Project SPVs of India Grid Trust as of 30th September 2023 in accordance with the SEBI InvIT Regulations (as amended)

Dear Sir(s)/ Madam(s),

I, Manish Gadia ("Registered Valuer" or "RV") have been appointed by IndiGrid Investment Managers Limited ("the Investment Manager" or "IIML"), acting as the investment manager for India Grid Trust ("the Trust") and Axis Trustee Services Limited ("the Trustee") acting as the trustee for the Trust via engagement letter dated 19th November 2023 as an independent valuer. I enclose my valuation report regarding the fair enterprise value of the Project SPVs of the Trust as on 30th September 2023 ("Valuation Date") in accordance with the requirements of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended ("the SEBI InvIT Regulations").

As per Regulation 21(7) of chapter V of the SEBI InvIT Regulations:
"Prior to any issue of units by publicly offered InvIT other than bonus issue, the valuer shall undertake full valuation of all the InvIT assets and include the same in the Offer Document: Provided that such valuation report shall not be more than six months old at the time of such offer: Provided further that this shall not apply in cases where full valuation has been undertaken not more than six months prior to such issue and no material changes have occurred thereafter.

The Investment Manager and the Trustee intends to undertake the full valuation of the Project SPVs of the Trust as on 30th September 2023. In this connection I have been appointed by Board of Directors of the Investment Manager on 28th June 2023. Accordingly, I am pleased to enclose the Valuation Report ("Report") providing my opinion on the fair enterprise valuation of the Project SPVs as on 30th September 2023.

I have relied on explanations and information provided by the Investment Manager. Although, I have reviewed such data for consistency, but have not carried out audit of such information.

In terms of the SEBI InvIT Regulation, I hereby confirm and declare that:

1. I am competent to undertake this valuation in terms of SEBI InvIT Regulations;
2. I further confirm that I am independent in terms of the SEBI InvIT Regulations and that this report has been prepared on a fair and unbiased basis in compliance with Regulation 13(1) and Regulation 21 of the SEBI InvIT Regulations;
3. I have an experience of more than 5 years for valuation of infrastructure assets.

My team and I have no present or planned future interest in the Trust, the SPVs or the Investment Manager, except to the extent of this appointment as an independent valuer and the fee for this Valuation Report ("Report") which is not contingent upon the values reported herein. The valuation analysis should not be construed as investment advice, specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Trust.

The Trust owns the following special purpose vehicles:

I. Transmission Assets:

Sr. No.	Name of the SPVs	Abbreviation	Category
1	Bhopal Dhule Transmission Company Limited	BDTCL	Inter State - Tariff Based Competitive Bidding Project ("TBCB") – BOOM Basis
2	Jabalpur Transmission Company Limited	JTCL	
3	Maheshwaram Transmission Limited	MTL	
4	RAPP Transmission Company Limited	RTCL	
5	Purulia & Kharagpur Transmission Company Limited	PKTCL	
6	Patran Transmission Company Limited	PTCL	
7	NRSS XXIX Transmission Limited	NRSS	
8	Odisha Generation Phase - II Transmission Limited	OGPTL	
9	East-North Interconnection Company Limited	ENICL	
10	Gurgaon Palwal Transmission Limited	GPTL	
11	NER II Transmission Limited	NERTL	
12	Raichur Sholapur Transmission Company Private Limited	RSTCPL	
13	Khargone Transmission Limited	KTL	
14	Kallam Transmission Limited	KLMTL	Under Construction Transmission Line
15	Jhajjar KT Transco Private Limited	JKTPL	Intra State – TBCB – DBFOT Basis
16	Parbati Koldam Transmission Company Limited	PrKTCL	Inter-state Regulated Tariff Based Project – BOO Basis
17	Terralight Solar Energy SitamauSS Private Limited*	TL SitamauSS	Transmission asset for captive consumption

II. Solar Assets:

Sr. No.	Name of the SPVs	Abbreviation	Category
17	IndiGrid Solar-I (AP) Private Limited	ISPL 1	Solar Power Generation Projects
18	IndiGrid Solar-II (AP) Private Limited	ISPL 2	
19	TN Solar Power Energy Private Limited*	TNSEPL	
21	Universal Mine Developers & Service Providers Private Limited*	UMD	
22	Terralight Kanji Solar Private Limited*	TL Kanji	
23	Terralight Rajapalayam Solar Private Limited*	TL Raj	
24	Solar Edge Power and Energy Pvt Limited*	Solar Edge	
25	Terralight Solar Energy Charanka Private Limited*	TL Charanka	
26	Terralight Solar Energy Tinwari Private Limited*	TL Tinwari	

27	PLG Photovoltaic Private Limited*	PLG	Solar Power Generation Projects
28	Universal Saur Urja Private Limited*	USUPL	
29	Globus Steel and Power Private Limited*	Globus	
30	Terralight Solar Energy Patlasi Private Limited*	TL Patlasi	
31	Terralight Solar Energy Nangla Private Limited*	TL Nangla	
32	Terralight Solar Energy Gadna Private Limited*	TL Gadna	
33	Godawari Green Energy Limited*	GGEL	

**Refers to assets/SPVs added in the portfolio on account of Acquisition of Virescent Renewable Energy Trust (VRET Assets) w.e.f August 2023*

(Hereinafter all the above 33 SPVs are together referred to as the "Project SPVs" or the "SPVs")

As represented by the Investment Manager the InvIT Assets does not comprise of IGL, IGL 1, IGL 2, the Investment Manager and the Project Manager of VRET and thereforenot covered in the valuation exercise. Moreover Kilokari BESS Private Limited (which is incorporated post September 30, 2023) and thereforenot covered in the valuation exercise.

I am enclosing the Report providing opinion on the fair enterprise value of the Project SPVs on a going concern basis as at 30th September 2023 ("Valuation Date"). The attached Report details the valuation methodologies used, calculations performed and the conclusion reached with respect to this valuation.

I believe that the analysis must be considered as a whole. Selecting portions of any analysis or the factors that are considered in this Report, without considering all factors and analysis together could create a misleading view of the process underlying the valuation conclusions. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

The valuation methodologies and approaches adopted by me are widely recognised and used. They are in compliance with Valuation standards issued by The Institute of Chartered Accountants of India and International Valuation Standards issued by International Valuation Standards Council (IVSC) and are accepted across India and internationally.

The valuation provided by RV and the valuation conclusions are included herein and the Report complies with the SEBI InvIT Regulations and guidelines, circular or notification issued by the Securities and Exchange Board of India ("SEBI") thereunder.

The Report must be read in conjunction with the caveats to the Report, which are contained in Section 11 of this Report. This letter, the Report and the summary of valuation included herein can be provided to Trust's advisors, can be included in any documents issued in connection with fund-raising by the Trust and may be made available for the inspection to the public as a material document and with the SEBI, the stock exchanges and any other regulatory and supervisory authority, as may be required.

This letter should be read in conjunction with the attached Report.

Yours faithfully

Manish Gadia
Registered Valuer
ICAI Membership No.: 059677
IBBI Registration No.: IBBI/RV/06/2019/11646
RVO Membership No.: ICAIRVO/06/RV-P00059/2019-2020
Date: 5th December 2023
Place: Kolkata
UDIN: **23059677BGUIJL4112**

MANISH GADIA
Reg. No. IBBI/RV/06/ 2019/11646
Registered Valuer, Kolkata

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Definition, Abbreviations and Glossary of terms

Abbreviation	Words/ Phrases
BDTCL	Bhopal Dhule Transmission Company Limited
BOO	Build-Own-Operate
BOOM	Build-Own-Operate-Maintain
Capex	Capital Expenditure
CCIL	Clearing Corporation of India Limited
CCM	Comparable Companies Multiples
CERC Tariff	Central Electricity Regulatory Commission (Terms and Conditions of Tariff)
Ckms	Circuit Kilometers
COD	Commercial Operation Date
CTM	Comparable Transactions Multiples
DBFOT	Design-Build-Finance-Operate-Transfer
DCF	Discounted Cash Flow
DF	Discounting Factor
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
ECOD	Expected Commercial Operation Date
ENICL	East-North Interconnection Company Limited
ERP	Equity Risk Premium
Esoteric/ Sponsor	Esoteric II Pte. Ltd. (an affiliate of KKR & Co. Inc.)
EV	Enterprise Value
FCFF	Free Cash Flow to the Firm
FDI	Foreign Direct Investment
FY	Financial Year Ended 31st March
GAAP	Generally Accepted Accounting Principles
GGEL	Godawari Green Energy Limited
Globus	Globus Steel and Power Private Limited
GPTL	Gurgaon Palwal Transmission Limited
GW	Giga Watts
ICAI VS	ICAI Valuation Standards, 2018
IGL	Indigrid Limited
IGL 1	Indigrid 1 Limited
IGL 2	Indigrid 2 Limited
IIML or Investment Managers	IndiGrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited)
Ind AS	Indian Accounting Standards
INR	Indian Rupee
ISPL 1	IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh-Solar Farm-I Private Limited)
ISPL 2	IndiGrid Solar-II (AP) Private Limited (formerly known as FRV India Solar Park- II Private Limited)
IVS	International Valuation Standard

Abbreviation	Words/ Phrases
JKTPL	Jhajjar KT Transco Private Limited
JTCL	Jabalpur Transmission Company Limited
KLMTL	Kallam Transmission Limited
KTL	Khargone Transmission Limited
kV	Kilo Volts
kWh	Kilo Watt Hour
Mn	Millions
MPF	Mid-Point Factor
MTL	Maheshwaram Transmission Limited
MW	Mega Watts
NAV	Net Asset Value
NCA	Net Current Assets Excluding Cash and Bank Balances
NERTL	NER II Transmission Limited
NRSS	NRSS XXIX Transmission Limited
O&M	Operation & Maintenance
OGPTL	Odisha Generation Phase - II Transmission Limited
PGCIL	Power Grid Corporation of India Limited
PKTCL	Purulia & Kharagpur Transmission Company Limited
PLG	PLG Photovoltaic Private Limited
PPA	Power Purchase Agreement
PPP	Public Private Partnership
PrKTCL	Parbati Koldam Transmission Company Limited
PTCL	Patran Transmission Company Limited
PV	Present Value
PVF	Present Value Factor
RSTCPL	Raichur Sholapur Transmission Company Private Limited
RTCL	RAPP Transmission Company Limited
RV	Registered Valuer
SCOD	Scheduled Commercial Operation Date
SEBI	Securities and Exchange Board of India
SEBI InvIT Regulations	SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended
SECI	Solar Energy Corporation of India Limited
Solar Edge	Solar Edge Power and Energy Private Limited
SPGVL	Sterlite Power Grid Ventures Limited (now merged with SPTL)
SPTL	Sterlite Power Transmission Limited
SPV	Special Purpose Vehicle

Abbreviation	Words/ Phrases
TAO	Tariff Adoption Order
TBCB	Tariff Based Competitive Bidding
the Trust or InvIT	India Grid Trust
the Trustee	Axis Trustee Services Limited
TL Charanka	Terralight Solar Energy Charanka Private Limited
TL Gadna	Terralight Solar Energy Gadna Private Limited
TL Kanji	Terralight Kanji Solar Private Limited
TL Nangla	Terralight Solar Energy Nangla Private Limited
TL Patlasi	Terralight Solar Energy Patlasi Private Limited
TL Raj	Terralight Rajapalayam Solar Private Limited
TL SitamauSS	Terralight Solar Energy SitamauSS Private Limited
TL Tinwari	Terralight Solar Energy Tinwari Private Limited
TNSEPL	TN Solar Power Energy Private Limited
TSA	Transmission Service Agreement
TV	Terminal Period Value
UMD	Universal Mine Developers & Service Providers Private Limited
USUPL	Universal Saur Urja Private Limited
VRET	Virescent Renewable Energy Trust
WACC	Weighted Average Cost of Capital

Section 1:

Executive Summary

General Information

Particulars	Description
Scope	Independent Estimate of the Full Enterprise Valuation of the Project SPVs of India Grid Trust as on 30th September 2023 in accordance with the SEBI InvIT Regulations (as amended)
Regulation	Regulation 21(7) of SEBI (Infrastructure Investment Trusts) Regulations, 2014 as amended
Valuation Date	30th September 2023
Appointed By	IndiGrid Investment Managers Limited (Investment Manager to India Grid Trust) Axis Trustee Services Limited (Trustee to the India Grid Trust)
Report Date	5th December 2023
Registered Valuer	Mr. Manish Gadia (IBBI Registration No.: IBBI/RV/06/2019/11646)
Transmission asset portfolio as on date of valuation	1) Bhopal Dhule Transmission Company Limited 2) Jabalpur Transmission Company Limited 3) Maheshwaram Transmission Limited 4) RAPP Transmission Company Limited 5) Purulia & Kharagpur Transmission Company Limited 6) Patran Transmission Company Limited 7) NRSS XXIX Transmission Limited 8) Odisha Generation Phase - II Transmission Limited 9) East-North Interconnection Company Limited 10) Gurgaon Palwal Transmission Limited 11) NER II Transmission Limited 12) Raichur Sholapur Transmission Company Private Limited 13) Khargone Transmission Limited 14) Kallam Transmission Limited 15) Jhajjar KT Transco Private Limited 16) Parbati Koldam Transmission Company Limited 17) Terralight Solar Energy SitamauSS Private Limited
Solar asset portfolio as on date of valuation	18) IndiGrid Solar-I (AP) Private Limited 19) IndiGrid Solar-II (AP) Private Limited 20) TN Solar Power Energy Private Limited 21) Universal Mine Developers & Service Providers Private Limited 22) Terralight Kanji Solar Private Limited 23) Terralight Rajapalayam Solar Private Limited 24) Solar Edge Power and Energy Pvt Ltd 25) Terralight Solar Energy Charanka Private Limited 26) Terralight Solar Energy Tinwari Private Limited 27) PLG Photovoltaic Private Limited 28) Universal Saur Urja Private Limited 29) Globus Steel and Power Private Limited 30) Terralight Solar Energy Patlasi Private Limited 31) Terralight Solar Energy Nangla Private Limited 32) Terralight Solar Energy Gadna Private Limited 33) Godawari Green Energy Limited

Brief Background and Purpose

India Grid Trust:

India Grid Trust ("IndiGrid" or "Trust") was set up on 21st October 2016, as an irrevocable trust pursuant to the trust deed under the provisions of the Indian Trusts Act, 1882, and was registered with SEBI as an InvIT on 28th November 2016, under Regulation 3(1) of the InvIT Regulations.

India Grid Trust ("IndiGrid") is India's first infrastructure investment trust ("InvIT") in the power sector. It owns and acquires power transmission assets (overhead transmission lines and substations) & solar assets. Today, it owns 17 power transmission projects with transmission lines of more than 8,468 ckms, 13 substations with 17,550 MVA transformation capacity, and 18 solar generation projects with 676 MW DC of solar generation capacity. Each of the Portfolio Assets is located in strategically important areas for electricity transmission connectivity, delivering power from generating centers to load centers to meet inter-regional power deficits.

The units of the Trust are listed on the National Stock Exchange of India Limited and BSE Limited since 6th September 2017.

Unit holding pattern of the Trust as on 30th September 2023 is as follows:

Particulars	No. of Units	%
Esoteric II Pte. Ltd (Sponsor)	16,59,01,932	22.70%
Insurance Companies	4,52,22,809	6.19%
Mutual Funds	9,30,912	0.13%
Financial Institutions or Banks	5,39,477	0.07%
Provident or pension funds	18,92,124	0.26%
Alternative Investment Fund	9,27,704	0.13%
Foreign Portfolio Investors	20,04,33,309	27.42%
Non-institutional investors	31,51,31,709	43.11%
Total	**73,09,79,976**	**100%**

Sponsors:

The Trust is currently sponsored by Esoteric II Pte. Ltd., an affiliate of KKR & Co. Inc. ("Esoteric"). IndiGrid was originally sponsored by Sterlite Power Grid Venture Limited (now merged with Sterlite Power Transmission Limited) as an irrevocable trust pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882.

SEBI has granted its approval for de-classification of Sterlite Power Transmission Limited (SPTL) as a Sponsor of India Grid Trust ("IndiGrid") vide its letter dated July 6, 2023. Accordingly, SPTL has been de-classified as a Sponsor of IndiGrid with effect from July 6, 2023.

In the annual meeting of Trust held on 28th September 2020, the unitholders approved induction of EsotericII Pte. Ltd., an affiliate of KKR & Co. Inc. ("Esoteric"), as a sponsor.

Esoteric is an affiliate of KKR & Co. Inc. KKR & Co. Inc. was founded in 1976 and is a leading global investment firm. KKR & Co. Inc. sponsors investment funds that invest in multiple alternative asset classes, including private equity, credit and real assets, with strategic partners that manage hedge funds.

Shareholding Pattern of Sponsor as on 30th September 2023:

Sr. No.	Name of Shareholder	%
1	Esoteric I Pte. Limited	36.5%
2	KKR Ingrid Co-invest L.P.	60.6%
3	KKR PIP Investments L.P.	2.9%
	Total	**100.0%**

The Investment Manager:

IndiGrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited) ("the Investment Manager" or "IIML") has been appointed as the investment manager to the Trust by Axis Trustee Services Limited ("the Trustee") and is responsible to carry out the duties of such a person as mentioned under SEBI InvIT Regulations.

Shareholding of the Investment Manager as on 30th September 2023 is as under:

Sr. No.	Name of Shareholder	%
1	Electron IM Pte. Ltd. (KKR affiliate entity)	100.0%
	Total	**100.0%**

Assets to be Valued:

I. Transmission Assets:

Sr no.	Name of the SPVs	Abbreviations	Location	Category	Ckms
1	Bhopal Dhule Transmission Company Limited	BDTCL	Maharashtra, Madhya Pradesh & Gujarat	Inter-state TBCB - BOOM Basis	943
2	Jabalpur Transmission Company Limited	JTCL	Chhattisgarh , Madhya Pradesh	Inter-state TBCB - BOOM Basis	994
3	Maheshwaram Transmission Limited	MTL	Telangana	Inter-state TBCB - BOOM Basis	474
4	RAPP Transmission Company Limited	RTCL	Rajasthan , Madhya Pradesh	Inter-state TBCB - BOOM Basis	403
5	Purulia & Kharagpur Transmission Company Ltd.	PKTCL	West Bengal , Jharkhand	Inter-state TBCB - BOOM Basis	545
6	Patran Transmission Company Limited	PTCL	Punjab	Inter-state TBCB - BOOM Basis	10
7	NRSS XXIX Transmission Limited	NRSS	Punjab, Jammu & Kashmir	Inter-state TBCB - BOOM Basis	830
8	Odisha Generation Phase - II Transmission Limited	OGPTL	Odisha	Inter-state TBCB - BOOM Basis	713
9	East-North Interconnection Company Limited	ENICL	Assam , West Bengal, Bihar	Inter-state TBCB - BOOM Basis	896
10	Gurgaon Palwal Transmission Limited	GPTL	Haryana , Delhi , UP	Inter-state TBCB - BOOM Basis	273
11	NER II Transmission Limited	NERTL	Assam, Arunachal Pradesh , Tripura	Inter-state TBCB - BOOM Basis	832
12	Raichur Sholapur Transmission Company Private Limited	RSTCPL	Karnataka & Maharashtra	Inter-state TBCB - BOOM Basis	208
13	Khargone Transmission Limited	KTL	Madya Pradesh,, Maharashtra, Chhattisgarh, Goa	Inter-state TBCB - BOOM Basis	626
14	Kallam Transmission Limited	KLMTL	Maharashtra	Inter-state TBCB - BOOM	18
15	Jhajjar KT Transco Private Limited	JKTPL	Haryana	Intra-state TBCB – DBFOT Basis	205
16	Parbati Koldam Transmission Company Limited	PrKTCL	Himachal Pradesh, Punjab	Inter-state Regulated Tarrif Based Project - BOO Basis	458
17	Terralight Solar Energy SitamauSS Private Limited	TL Sitamau SS	Madhya Pradesh	Transmission Asset for Captive Consumption	NA

II. Solar Assets:

Sr. No.	Name of the SPVs	Abbreviation	Location	Capacity (DC MW)
18	IndiGrid Solar-I (AP) Private Limited	ISPL 1	Andhra Pradesh	68.0
19	IndiGrid Solar-II (AP) Private Limited	ISPL 2	Andhra Pradesh	70.0
20	TN Solar Power Energy Private Limited	TNSEPL	Tamil Nadu	27.6
21	Universal Mine Developers & Service Providers Private Limited	UMD	Tamil Nadu	30.0
22	Terralight Kanji Solar Private Limited	TL Kanji	Tamil Nadu	48.4
23	Terralight Rajapalayam Solar Private Limited	TL Raj	Tamil Nadu	54.0
24	Solar Edge Power and Energy Pvt Ltd	Solar Edge	Maharashtra	169.0
25	Terralight Solar Energy Charanka Private Limited	TL Charanka	Patan,Gujarat	15.0
26	Terralight Solar Energy Tinwari Private Limited	TL Tinwari	Rajasthan	5.85
27	PLG Photovoltaic Private Limited	PLG	Patan, Gujarat	20.0
28	Universal Saur Urja Private Limited	USUPL	Uttar Pradesh	62.9
29	Globus Steel and Power Private Limited	Globus	Madhya Pradesh	23.6
30	Terralight Solar Energy Patlasi Private Limited	TL Patlasi	Madhya Pradesh	22.1
31	Terralight Solar Energy Nangla Private Limited	TL Nangla	Punjab	4.2
32	Terralight Solar Energy Gadna Private Limited	TL Gadna	Jodhpur, Rajasthan	5.5
33	Godawari Green Energy Limited	GGEL	Naukh, Rajasthan	50.0

Engagement Overview

As per Regulation 21(7) of Chapter V of the SEBI InvIT Regulations:

"Prior to any issue of units by publicly offered InvIT other than bonus issue, the valuer shall undertake full valuation of all the InvIT assets and include the same in the Offer Document: Provided that such valuation report shall not be more than six months old at the time of such offer: Provided further that this shall not apply in cases where full valuation has been undertaken not more than six months prior to such issue and no material changes have occurred thereafter."

In this regard, the Investment Manager and the Trustee have appointed Mr. Manish Gadia ("Registered Valuer" or "RV") bearing IBBI registration number IBBI/RV/06/2019/11646 to undertake the fair valuation at the enterprise level of the SPVs as per the SEBI InvIT Regulations as at 30th September 2023. Enterprise Value ("**EV**") is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities.

Registered Valuer declares that:

i. The RV is competent to undertake the financial valuation in terms of the SEBI InvIT Regulations;
ii. The RV is independent and has prepared the Valuation Report ("the Report") on a fair and unbiased basis.
iii. I have estimated the Enterprise Value of each of the Project SPVs based on the valuation standards as specified under regulation 21 of SEBI InvIT regulations.

The Valuation Date considered for the Enterprise Valuation of the SPVs is 30th September 2023. Valuation analysisand results are specific to the valuation date.

A valuation of this nature involves consideration of various factors including the financial position of the Specified SPVs as at the Valuation Date, trends in the equity stock market and fixed income security market, macro-economic and industry trends, etc.

Section 2:

Valuation Analysis

Valuation Analysis

All the SPVs have been valued using Discounted Cash Flow ("DCF") Method except for KLMTL & TL SitamauSS where Net Asset Value approach is used.

I have relied on the provisional Financial Statements as on 30th September 2023 and financial projections of the SPVs provided by the investment manager for arriving at fair enterprise value.

Based on the methodology and assumptions discussed further, I have arrived at the following fair Enterprise Value of the SPVs as on the Valuation Date:

I. Transmission Asset

Sr No.	SPVs	Projection Period (Balance TSA Period)	CKm	WACC	Fair EV (INR Mn)
1	BDTCL	~ 25 Years 6 Months	943	8.1%	19,266
2	JTCL	~ 25 Years 5 Months	994	8.2%	16,331
3	MTL	~ 29 Years 3 Months	474	7.9%	5,945
4	RTCL	~ 27 Years 5 Months	403	7.7%	4,354
5	PKTCL	~ 27 Years 6 Months	545	7.7%	6,735
6	PTCL	~ 28 Years 2 Months	10	7.8%	2,593
7	NRSS	~ 29 Years 11 Months	830	7.7%	44,257
8	OGPTL	~ 30 Years 6 Months	713	7.9%	14,489
9	ENICL[1]	~ 12 Years 1 Months	896	8.25% to 11.84%	11,509
10	GPTL	~ 31 Years 6 Months	273	7.8%	11,922
11	NERTL	~ 32 Years 6 Months	832	7.8%	53,114
12	RSTCPL	~ 25 Years 3 Months	208	8.4%	2,694
13	KTL	~ 30 Years 10 Months	626	7.9%	16,524
14	KLMTL[2]	~ 35 Years 0 Months	18	NA	2,052
15	JKTPL	~ 22 Years 1 Months	205	7.6%	3,107
16	PrKTCL[3]	~ 26 Years 0 Months	458	7.9%	7,124
17	TL SitamauSS[4]	NA	NA	NA	93
Total Fair Enterprise Value of Transmission Assets (A)					**2,22,110**

II. Solar Assets

Sr No.	SPVs	Projection Period (Balance PPA Period)	MW	WACC	Fair EV (INR Mn)
18	ISPL 1	~ 19 Years 10 Months	68	8.1%	3,223
19	ISPL 2	~ 20 Years 4 Months	70	8.1%	3,449
20	TNSEPL	~ 17 Years 1 Months	27.6	8.2%	2,188
21	UMD	~ 17 Years 4 Months	30	8.2%	2,381
22	TL Kanji	~ 17 Years 6 Months	48.4	8.2%	3,640
23	TL Raj	~ 20 Years 0 Months	54	7.9%	2,228
24	Solar Edge	~ 19 Years 7 Months	169	8.2%	9,528
25	TL Charanka	~ 13 Years 6 Months	15	8.0%	933
26	TL Tinwari	~ 13 Years 1 Months	5.85	7.8%	935
27	PLG	~ 13 Years 4 Months	20	8.7%	1,334
28	USUPL	~ 17 Years 12 Months	62.9	7.9%	4,486
29	Globus	~ 17 Years 4 Months	23.6	8.0%	1,881
30	TL Patlasi	~ 16 Years 7 Months	22.1	8.0%	1,440
31	TL Nangla	~ 16 Years 6 Months	4.2	7.9%	372
32	TL Gadna	~ 14 Years 6 Months	5.5	8.3%	563
33	GGEL	~ 14 Years 9 Months	50	8.0%	8,121
Total Fair Enterprise Value of Solar Assets (B)					**46,702**

III. Fair enterprise Value

Particulars	Fair EV (INR Mn)
Total Fair Enterprise Value of Transmission Assets (A)	2,22,110
Total Fair Enterprise Value of Solar Assets (B)	46,702
Total Fair Enterprise Value of SPVs (A+B)	**2,68,812**

Notes:

1. In case of ENICL, I have considered separate WACC for explicit period and terminal period.
2. KLMTL project is currently under construction. Hence due to a nascent stage of the project, I find it appropriate to consider the Net Asset Value method for arriving at the enterprise value of KLMTL.
3. PrKTCL operates under Cost Plus Mechanism where the period of services is not mentioned in TSA. I have considered a total period of 35 years of useful life based on CERC Tariff Regulations, 2019 and based on discussions with the Investment Manager.
4. TL SitamauSS is engaged in the business of providing transmission and step-up services to its shareholders. TL SitamauSS provides services to 4 SPVs. Among these SPVs, two are owned by VRET (Globus and TL Patlasi), while the other two are owned by Brookfield (Focal Photovoltaic India Private Limited and Focal Renewable Energy Two Private Limited). TL SitamauSS is currently utilised for captive consumption and in absence of any specific projections, I have considered NAV method for the purpose of valuation of this SPV.

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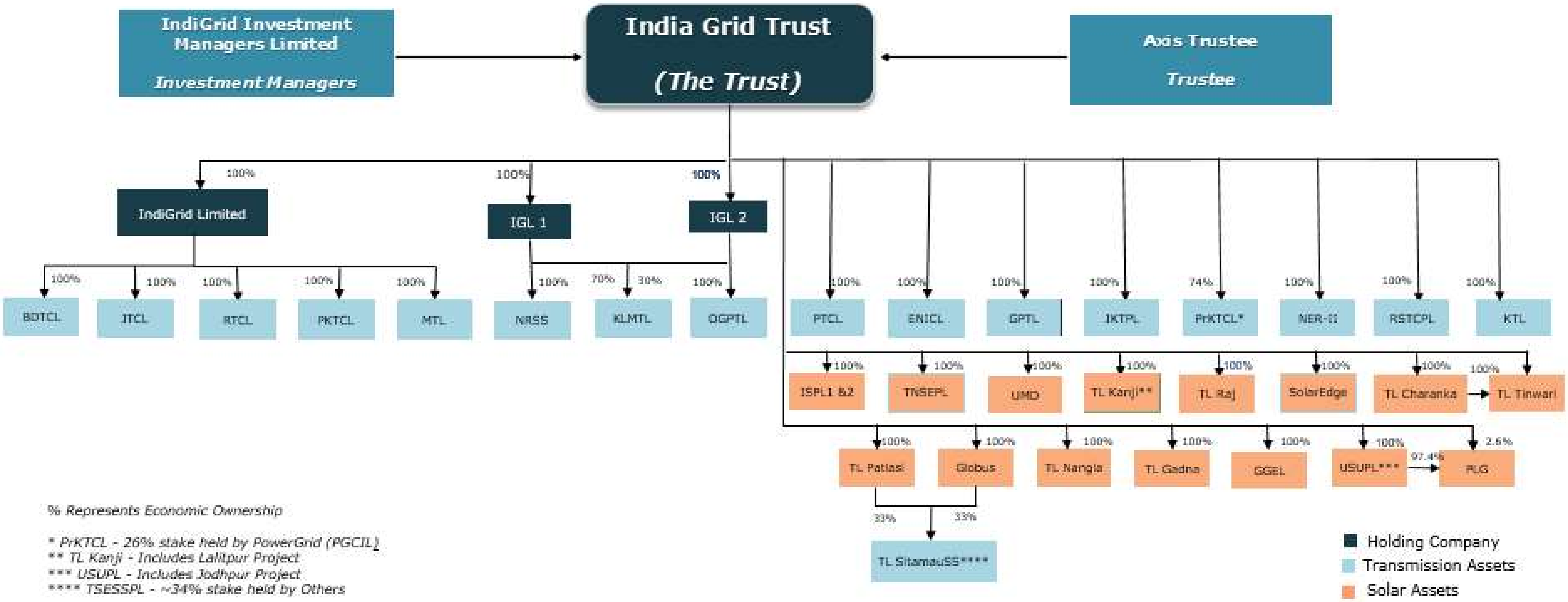
Section 3:

Business Overview

Overview of the Trust | Group Structure of the Trust



Snapshot of Portfolio Assets:

India Grid Trust

Transmission Assets

13 Interstate TBCB Transmission Projects

Sr.	Name of the SPVs	Abbreviation
1	Bhopal Dhule Transmission Company Limited	BDTCL
2	Jabalpur Transmission Company Limited	JTCL
3	Maheshwaram Transmission Limited	MTL
4	RAPP Transmission Company Limited	RTCL
5	Purulia & Kharagpur Transmission Company Limited	PKTCL
6	Patran Transmission Company Limited	PTCL
7	NRSS XXIX Transmission Limited	NRSS
8	Odisha Generation Phase - II Transmission Limited	OGPTL
9	East-North Interconnection Company Limited	ENICL
10	Gurgaon Palwal Transmission Limited	GPTL
11	NER II Transmission Limited	NERTL
12	Raichur Sholapur Transmission Company Private Limited	RSTCPL
13	Khargone Transmission Limited	KTL

1 Intra State TBCB Transmission Projects

Sr.	Name of the SPVs	Abbreviation
1	Jhajjar KT Transco Private Limited	JKTPL

1 Regulated Transmission Projects

Sr.	Name of the SPVs	Abbreviation
1	Parbati Koldam Transmission Company Limited	PrKTCL

1 Under Constructed Transmission Projects

Sr.	Name of the SPVs	Abbreviation
1	Kallam Transmission Limited	KLMTL

1 Project for captive consumption

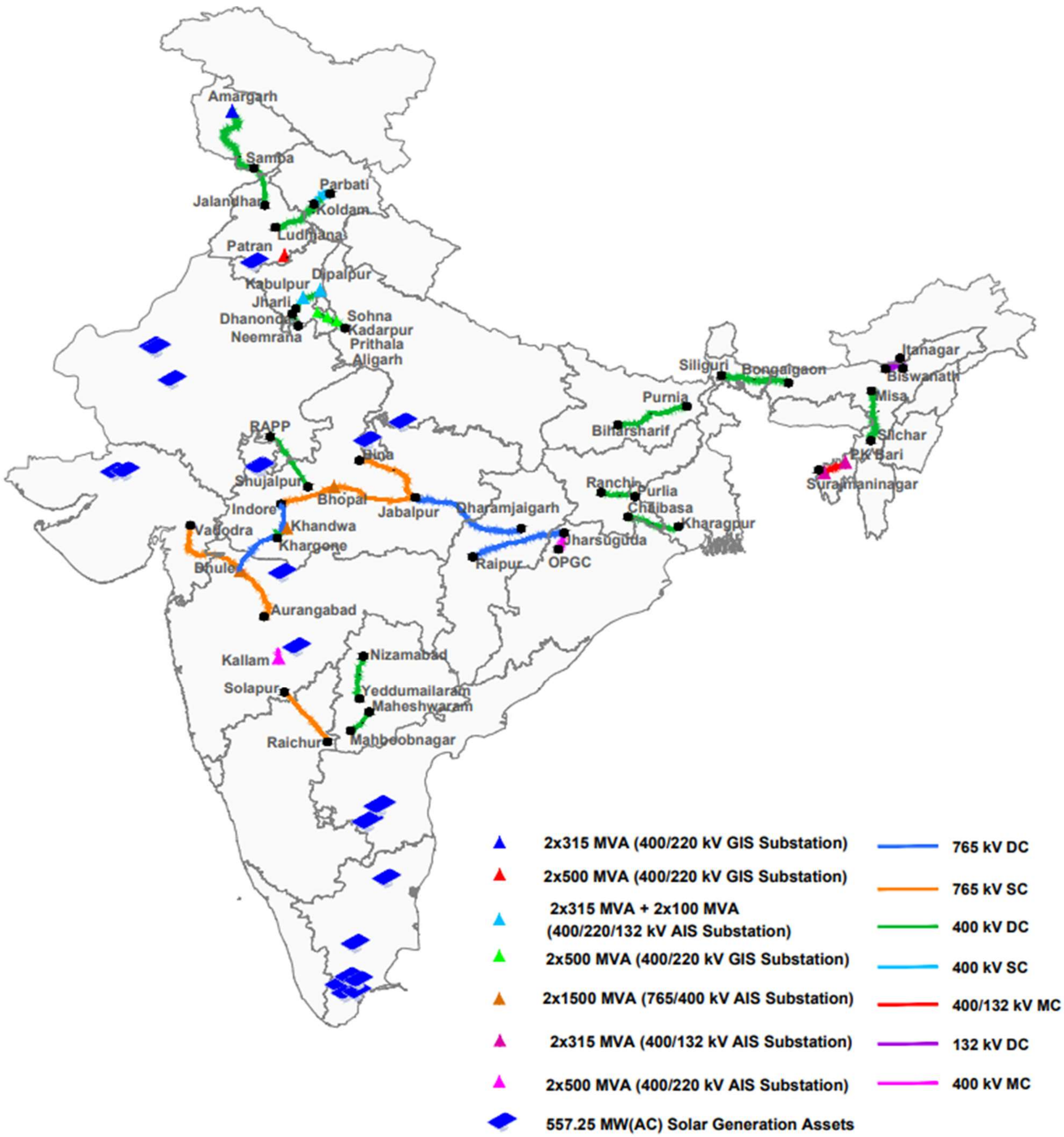
Sr.	Name of the SPVs	Abbreviation
1	Terralight Solar Energy SitamauSS Private Limited	TL SitamauSS

Solar Assets

18 Solar Power Generation Projects

Sr.	Name of SPV	Abbreviations
1	IndiGrid Solar-I (AP) Private Limited	ISPL 1
2	IndiGrid Solar-II (AP) Private Limited	ISPL 2
3	TN Solar Power Energy Private Limited	TNSEPL
4	Universal Mine Developers & Service Providers Private Limited	UMD
5(a)	Terralight Kanji Solar Private Limited – Project TKSPL	TL Kanji
5(b)	Terralight Kanji Solar Private Limited – Project Lalitpur	
6	Terralight Rajapalayam Solar Private Limited	TL Raj
7	Solar Edge Power and Energy Pvt Ltd	Solar Edge
8	Terralight Solar Energy Charanka Private Limited	TL Charanka
9	Terralight Solar Energy Tinwari Private Limited	TL Tinwari
10	PLG Photovoltaic Private Limited	PLG
11(a)	Universal Saur Urja Private Limited – Project USUPL	USUPL
11(b)	Universal Saur Urja Private Limited – Project Jodhpur	
12	Globus Steel and Power Private Limited	Globus
13	Terralight Solar Energy Patlasi Private Limited	TL Patlasi
14	Terralight Solar Energy Nangla Private Limited	TL Nangla
15	Terralight Solar Energy Gadna Private Limited	TL Gadna
16	Godawari Green Energy Limited	GGEL

Area covered by the SPVs of the Trust



Overview of the SPVs

The Trust has acquired from the erstwhile Sponsor SPGVL/ SPTL or their subsidiaries (related party) certain SPVs, viz. BDTCL, JTCL, MTL, RTCL, PKTCL, NRSS, OGPTL, ENICL, GPTL, NERTL and KTL; PTCL from Techno Electric & Engineering Company Limited ("TEECL"); JKTPL from Kalpataru Power Transmission Ltd & TEECL; and PrKTCL from Reliance Infrastructure Limited; ISPL 1 & ISPL 2 from FRV Solar Holdings XI B.V.; and RSTCPL from Patel Engineering Limited, Simplex Infrastructures Limited and B S Limited. Following is the summary of the past EVs and the date of acquisition of the SPVs:

EV (INR Mn)	BDTCL	JTCL	MTL	RTCL	PKTCL	PTCL	NRSS	OGPTL	ENICL	GPTL	JKTPL	PrKTCL	NERTL	ISPL 1	ISPL 2	KLMTL	RSTCPL	KTL	Total
Acquisition Date	30-May-17	30-May-17	14-Feb-18	14-Feb-18	14-Feb-18	31-Aug-18	03-Jun-19	27-Jun-19	24-Mar-20	28-Aug-20	28-Sep-20	08-Jan-21	26-Mar-21	13-Jul-21	13-Jul-21	28-Dec-21	09-Nov-22	21-Jan-23	
31-Mar-17	21,541	16,125	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**37,666**
31-Mar-18	20,319	15,431	5,564	4,054	6,618	-	-	-	-	-	-	-	-	-	-	-	-	-	**51,986**
31-Mar-19	19,470	14,608	5,268	4,035	6,390	2,423	-	-	-	-	-	-	-	-	-	-	-	-	**52,194**
31-Mar-20	18,565	14,426	5,437	4,008	6,439	2,370	43,911	14,105	10,949	-	-	-	-	-	-	-	-	-	**1,20,210**
31-Mar-21	20,396	16,022	5,902	4,202	6,826	2,374	46,808	14,791	11,962	12,223	3,032	8,561	52,361	-	-	-	-	-	**2,05,460**
30-Jun-21	20,276	16,026	5,897	4,176	6,815	2,363	46,193	14,789	11,908	12,152	3,030	8,391	52,473	-	-	-	-	-	**2,04,489**
30-Sep-21	20,213	16,284	5,952	4,211	6,816	2,375	46,603	14,898	12,114	12,124	2,978	8,146	53,725	3,598	3,793	-	-	-	**2,13,830**
31-Dec-21	20,112	16,306	5,938	4,196	6,803	2,339	46,557	14,844	12,028	12,072	2,928	7,921	53,610	3,592	3,810	25	-	-	**2,13,081**
31-Mar-22	19,984	16,232	5,979	4,367	6,799	2,614	45,734	14,668	11,804	12,358	3,167	7,194	53,290	3,384	3,667	210	-	-	**2,11,451**
30-Jun-22	19,939	16,347	5,993	4,390	6,810	2,610	45,427	14,735	11,751	12,402	3,150	7,468	51,806	3,308	3,594	282	-	-	**2,10,012**
30-Sep-22	19,778	16,389	5,996	4,402	6,784	2,611	45,339	14,615	11,624	12,285	3,113	7,311	53,958	3,305	3,595	305	-	-	**2,11,410**
31-Dec-22	19,368	16,117	5,954	4,345	6,713	2,549	44,806	14,559	11,533	12,167	3,054	7,194	53,525	3,174	3,469	460	2,685	-	**2,11,672**
31-Mar-23	19,441	16,229	5,901	4,342	6,759	2,604	44,530	14,533	11,599	12,002	3,126	7,275	53,075	3,231	3,464	807	2,708	16,362	**2,27,990**
30-Jun-23	19,351	16,282	5,912	4,347	6,752	2,587	44,194	14,480	11,560	12,006	3,100	7,182	53,242	3,243	3,479	1,541	2,698	16,579	**2,28,535**

IGT has acquired units of Virescent Renewable Energy Trust as on 25th August 2023. Following is the summary of the past EVs and the date of acquisition of the SPVs:

EV (INR Mn)	TNSEPL	UMD	TL Kanji	TL Raj	Solar Edge	TL Charanka	PLG	TL Tinwari	USUPL	GLOBUS	TL Patlasi	TL Nangla	TL Gadna	GGEL	Total
Acquisition Date	25-Aug-23	25-Aug-23	25-Aug-23	25-Aug-23	25-Aug-23	25-Aug-23	25-Aug-23	25-Aug-23	25-Aug-23	25-Aug-23	25-Aug-23	25-Aug-23	25-Aug-23	25-Aug-23	
31-Mar-22	2,122	2,394	2,949	2,282	9581	1096	1597	1140	2550	1868	1345	367	530	7449	**37,270**
31-Mar-23	2,186	2,395	3,709	2,239	9,830	1,020	1,358	924	4,315	1,768	1,459	355	543	7980	**40,083**

1. Bhopal Dhule Transmission Company Limited ("BDTCL")

The BDTCL project was awarded to IndiGrid Limited (formerly known as Sterlite Grid 1 Limited) by the Ministry of Power on 31st January 2011 for a 35 year period from the scheduled commercial operation date on a BOOM basis. The expiry date of TSA shall be the date which is 35 years from the Scheduled Commercial Operation Date ("SCOD") of the project.

BDTCL operates six extra high voltage overhead transmission lines of 943 Ckms comprising four 765 kV single circuit lines of 890 Ckms and two 400 kV dual circuit lines of 53 Ckms. The single circuit lines comprise a 259 ckms line from Jabalpur to Bhopal in Madhya Pradesh, a 176 Ckms line from Bhopal to Indore in Madhya Pradesh, a 192 Ckms line from Aurangabad to Dhule in Maharashtra and a 263 Ckms line from Dhule (Maharashtra) to Vadodara (Gujarat). The double circuit lines consist of a 36 Ckms line within Dhule and a 17 Ckms line within Bhopal. In addition, the project includes two 3,000 MVA sub-stations, one each in Bhopal and Dhule. BDTCL facilitates the transfer of electricity from coal-fired power generation sources from the states of Odisha and Chhattisgarh to power load centers in India's western and northern regions.

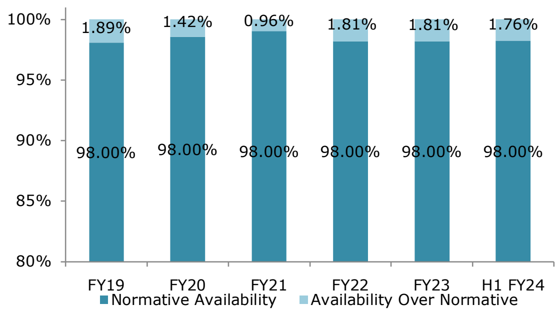
Due to various Force Majeure and Change in Law events during the construction period which adversely affected and delayed the commissioning, BDTCL has been granted an increase in Annual Non Escalable Transmission charges by Appellate Tribunal for Electricity through order dated 20th October 2020 at the rate of 2.987%.

Parameters	Details
Project Cost	INR 21,634 Mn
Total Length	943 ckms
Scheduled COD	31st March 2014
Concession period	35 years from SCOD
Trust's stake	100% economic ownership

BDTCL consists of the following transmission assets:

Transmission line/Sub-Station	Location	Length (ckms)	Specifications	Actual COD	Contribution to total Revenue
Jabalpur – Bhopal	MP	259	765 kV S/C	9 Jun 2015	22%
Bhopal – Indore	MP	176	765 kV S/C	19 Nov 2014	12%
Bhopal - Bhopal (MPPTCL)	MP	17	400 kV D/C	12 Aug 2014	2%
Aurangabad -Dhule (IPTC)	MH	192	765 kV S/C	5 Dec 2014	10%
Dhule (IPTC) – Vadodara	MH, GJ	263	765 kV S/C	13 Jun 2015	16%
Dhule (IPTC) - Dhule (MSETCL)	MH	36	400 kV D/C	6 Dec 2014	4%
Bhopal Substation	MP	NA	2 x 1,500 MVA 765/400 kV	30 Sep 2014	17%
Dhule Substation	MH	NA	2 x 1,500 MVA 765/400 kV	6 Dec 2014	17%

Operating Efficiency history of BDTCL:



Source: Investment Manager

The average of Annualised Availability for BDTCL from COD to H1 FY 24 is 99.67%.

My team had conducted physical site visit of BDTCL on 22nd November 2023. Following are the pictures of the BDTCL:

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2. Jabalpur Transmission Company Limited ("JTCL")

The JTCL project was awarded to IndiGrid Limited (formerly known as Sterlite Grid 1 Limited) by the Ministry of Power on 19th January 2011 for a 35 year period from the scheduled commercial operation date on a BOOM basis. The expiry date of TSA shall be the date which is 35 years from the scheduled COD of the project.

JTCL operates two extra high voltage overhead transmission lines of 994 Ckms in the states of Chhattisgarh and Madhya Pradesh comprising one 765 kV dual circuit line of 759 Ckms from Dharamjaygarh (Chhattisgarh) to Jabalpur (Madhya Pradesh) and one 765 kV single circuit Line of 235 Ckms from Jabalpur to Bina in Madhya Pradesh.

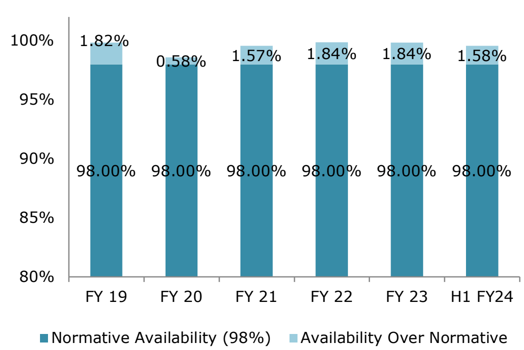
JTCL alleviates transmission capacity bottlenecks and expands the reliability and stability of the power grid in western and northern India by providing open access to transmit power from the independent power projects in the east of India.

Parameters	Details
Project Cost	INR 19,183 Mn
Total Length	994 ckms
Scheduled COD	1st March 2014
Concession period	35 years from SCOD
Trust's stake	100% economic ownership

JTCL consists of the following transmission assets:

Transmission line/Sub-Station	Location	Length (ckms)	Specifications	Actual COD	Contribution to total Revenue
Jabalpur – Dharamjaygarh	CH, MP	759	765 kV D/C	14 Sep 2015	72%
Jabalpur-Bina	MP	235	765 kV S/C	1 Jul 2015	28%

Operating Efficiency history of JTCL:



Source: Investment Manager
The average of Annualised Availability for JTCL from COD to H1 FY 24 is 99.6%.

My team had conducted physical site visit of JTCL on 22nd November 2023. Following are the pictures of the JTCL:



3. Maheshwaram Transmission Limited ("MTL")

The MTL project was awarded to IndiGrid 2 Limited (formerly known as Sterlite Grid 3 Limited) by the Ministry of Power on 10th June 2015 for a 35 year period from the scheduled commercial operation date on BOOM basis. The expiry date of TSA shall be the date which is 35 years from the SCOD of the project. MTL will create a key component to enable Southern region to draw more power from North-East-West Grid and address the issue of power stability in Telangana region.

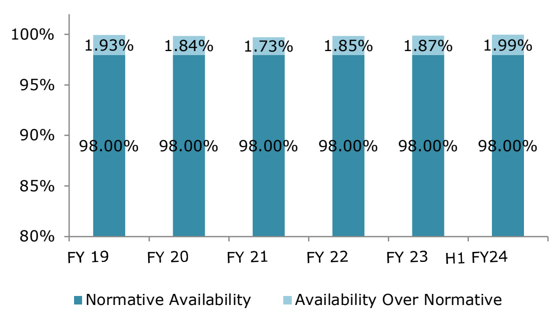
The improved grid connectivity shall facilitate power procurement from the ISTS network to the beneficiary states Telangana, Tamil Nadu, Seemandhra and Karnataka to meet their electricity demands. The project is envisaged to provide grid connectivity for Maheshwaram 765/400 kV Pooling Substation and Nizamabad 765/400 kV Substation.

Parameters	Details
Project Cost	INR 3,841 Mn
Total Length	474 ckms
Scheduled COD	1st June 2018
Concession period	35 years from SCOD
Trust's stake	100% economic ownership

MTL consists of the following transmission assets:

Transmission line/Sub-Station	Location	Length (ckms)	Specifications	Actual COD	Contribution to total Revenue
Maheshwaram (PG) – Mehboob Nagar	TS	196	400 kV D/C	14 Dec 2017	35%
2 Nos. of 400 kV line bays at Mehboob Nagar S/S of TSTRANCO	TS	NA		14 Dec 2017	
Nizamabad - Yeddumailaram	TS	278	400 kV D/C	14 Oct 2017	
2 Nos. of 400kV line bays at Yeddumailaram (Shankarapali) SS of TSTRANCO	TS	192		14 Oct 2017	10%

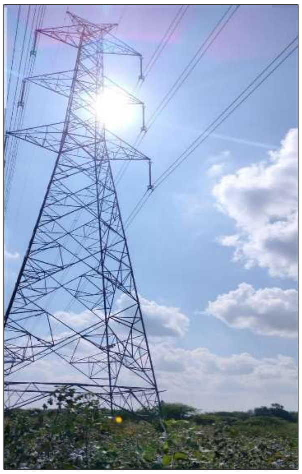
Operating Efficiency history of MTL:



Source: Investment Manager

The average of Annualised Availability for MTL from COD to H1 FY 24 is 99.9%.

My team had conducted physical site visit of MTL on 30th November 2023. Following are the pictures of the MTL.



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4. RAPP Transmission Company Limited ("RTCL")

The RTCL project was awarded to IndiGrid 1 Limited (formerly known as Sterlite Grid 2 Limited) by the Ministry of Power on 24th July 2013 for a 35 year period from the scheduled commercial operation date on a BOOM basis. The expiry date of TSA shall be the date which is 35 years from the scheduled COD of the project.

The RTCL project transfers power from the atomic power plant near Kota in Rajasthan to Shujalpur in Madhya Pradesh to provide the path for the evacuation of electricity generated at RAPP-7 and 8. Its route length is 201 Kms. The network will act as an interregional link between the Northern and the Western region.

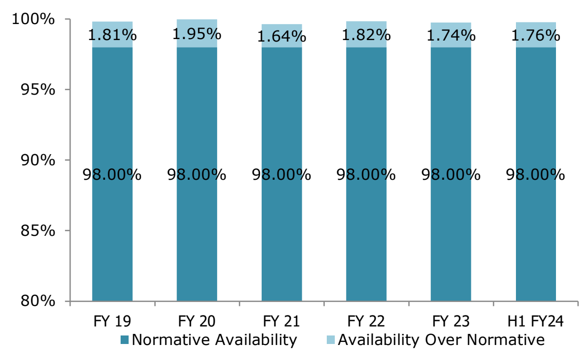
RTCL alleviates transmission capacity bottlenecks and expands the reliability and stability of the power grid in western and northern India by providing open access to transmit power from the independent power projects in the west of India.

Parameters	Details
Project Cost	INR 2,601 Mn
Total Length	403 ckms
Scheduled COD	1st March 2016
Concession period	35 years from SCOD
Trust's stake	100% economic ownership

RTCL consists of the following transmission assets:

Transmission line/Sub-Station	Location	Length (ckms)	Specifications	Actual COD	Contribution to total Revenue
RAPP- Shujalpur	RJ, MP	403	400 kV D/C	1 Mar 2016	100%

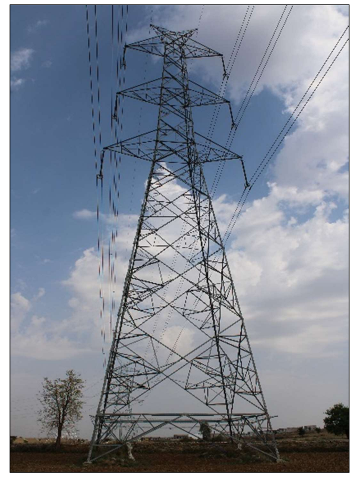
Operating Efficiency history of RTCL:



Source: Investment Manager

The average of Annualised Availability for RTCL from COD to H1 FY 24 is 99.8%.

My team had conducted physical site visit of RTCL on 21st November 2023. Following are the pictures of the RTCL:



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5. Purulia & Kharagpur Transmission Company Limited ("PKTCL")

The PKTCL project was awarded to IndiGrid 1 Limited (formerly known as Sterlite Grid 2 Limited) by the Ministry of Power on 6th August 2013 for a 35 year period from the scheduled commercial operation date on BOOM basis. The expiry date of TSA shall be the date which is 35 years from the scheduled COD of the project.

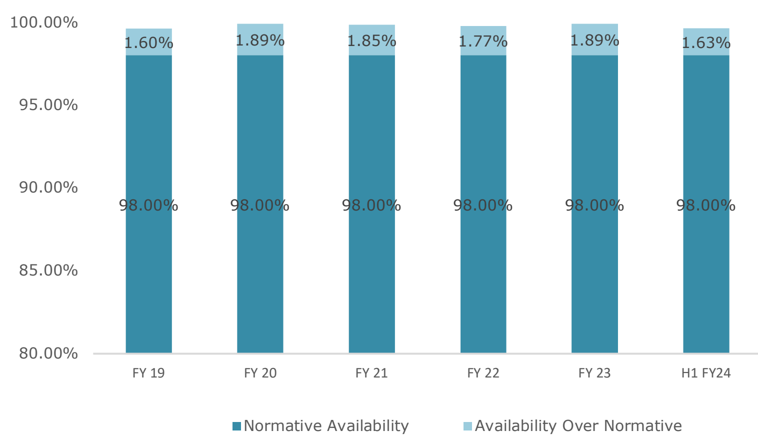
PKTCL project has been brought into existence, keeping in view the growing generation capacity in the eastern region. It was much needed to strengthen the interconnection of the state grids with regional grids to facilitate exchange of additional power between them. Its route length is 545 Ckms.

Parameters	Details
Project Cost	INR 4,405 Mn
Total Length	545 ckms
Scheduled COD	11th March 2016
Concession period	35 years from SCOD
Trust's stake	100% economic ownership

PKTCL consists of the following transmission assets:

Transmission line/Sub-Station	Location	Length (ckms)	Specifications	Actual COD	Contribution to total Revenue
Kharagpur-Chaibasa	WB, JH	323	400 kV D/C	18 Jun 2016	54%
Purulia- Ranchi	WB,JH	223	400 kV D/C	7 Jan 2017	46%

Operating Efficiency history of PKTCL:

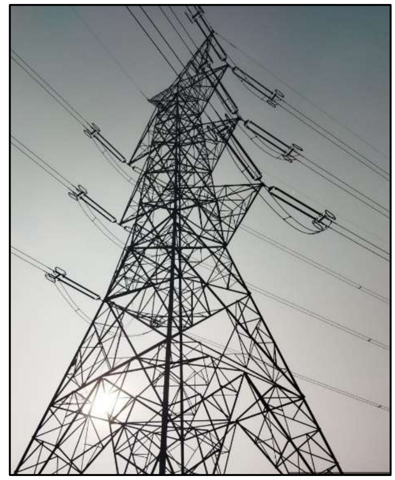


Source: Investment Manager

The average of Annualised Availability for PKTCL from COD to H1 FY 24 is 99.8%.

My team had conducted physical site visit of PKTCL on 1st December 2023. Following are the pictures of the PKTCL.





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6. Patran Transmission Company Limited ("PTCL")

The PTCL project located in Patran Village Nihal, Punjab was awarded to Techno Electric & Engineering Co. Ltd. by the Ministry of Power for a 35 year period from the scheduled commercial operation date on BOOM basis. The expiry date of TSA shall be the date which is 35 years from the scheduled COD of the project.

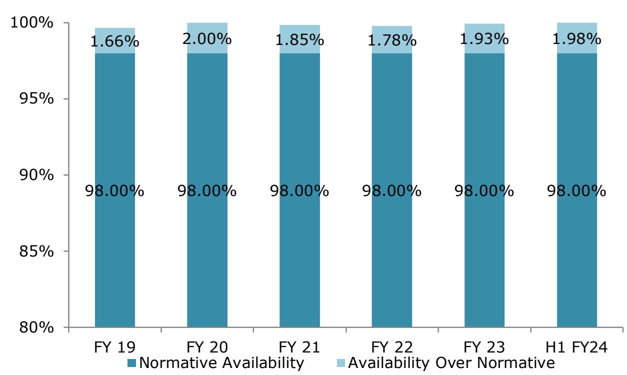
The PTCL project's need arose because of the partial grid disturbance in the Patial – Sangrur district of Punjab in July 2011. There were 5 substations of 220 kV in the vicinity and a need for 400 / 220 kV substation was felt to avoid the unbalanced loading. The 400/220 kV S/s at Patran would be connected to the grid by LILO of Patial-Kaithal 400 kV D/C

Parameters	Details
Project Cost	INR 2,250 Mn
Total Length	10 ckms
Scheduled COD	11th Nov 2016
Concession period	35 years from SCOD
Trust's stake	100% economic ownership

PTCL consists of the following transmission assets:

Transmission line/Sub-Station	Location	Length (ckms)	Specifications	Actual COD	Contribution to total Revenue
Patiala- Kaithal LILO	PB	10	400 kV D/C	12 Nov 2016	-
Patran Substation	PB	NA	2*500 MVA, 400/220kV	12 Nov 2016	100%

Operating Efficiency history of PTCL:



Source: Investment Manager

The average of Annualised Availability for PTCL from COD to H1 FY 24 is 99.9%.

My team had conducted physical site visit of PTCL on 30th November 2023. Following are the pictures of the PTCL.

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7. NRSS XXIX Transmission Limited ("NRSS")

The NRSS project was awarded by the Ministry of Power on 2nd January 2014 for a 35 years period from the commercial operation date on a BOOM basis. The NRSS XXIX Transmission Limited project is expected to deliver over 2,000 MW of electricity from Punjab to the Kashmir Valley by strengthening the transmission system in these two states.

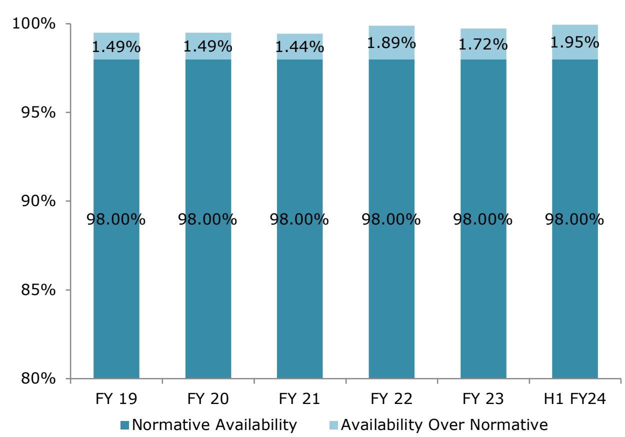
The Jalandar-Samba 400 kV D/C transmission line was commissioned in June 2016. NRSS XXIX Transmission Limited commissioned the other two 400 kV double circuit transmission lines and one 400/220 kV GIS sub-station in September 2018. The SPV would operate and maintain these for a minimum tenure of 35 years.

Parameters	Details
Project Cost	INR 28,082 Mn
Total Length	830 ckms/415 kms
Scheduled COD	05th Aug 2018
Concession period	35 years from SCOD
Trust's stake	100% economic ownership

NRSS consists of the following transmission assets:

Transmission line/Sub-Station	Location	Length (ckms)	Specifications	Actual COD	Contribution to total Revenue
Jalandar- Samba	PB, JK	270	400 kV D/C line	24 Jun 2016	22%
Samba- Amargarh	JK	546	400 kV D/C line	2 Sept 2018	78%
Uri- Wagoora	JK	14	400 kV D/C line	2 Sept 2018	
Amargarh Substation	JK	NA	400/220 kV GIS substation	2 Sept 2018	

Operating Efficiency history of NRSS:



Source: Investment Manager

In FY 22, a force majeure event occurred in NRSS in Jan and Feb 2022, resulting in shutdown of 400kV Samba Amargarh Transmission line. Hence, I have not considered availability for the month of Jan and Feb 2022.

Source: Investment Manager

The average of Annualised Availability for NRSS from COD to H1 FY 24 is 99.7%.

My team had conducted physical site visit of NRSS on 30th November 2023. Following are the pictures of the NRSS.

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8. Odisha Generation Phase- II Transmission Limited ("OGPTL")

The OGPTL project was awarded to IndiGrid 2 Limited (formerly known as Sterlite Grid 3 Limited) by the Ministry of Power on 19th January 2011 for a 35 years period from the SCOD date on a BOOM basis.

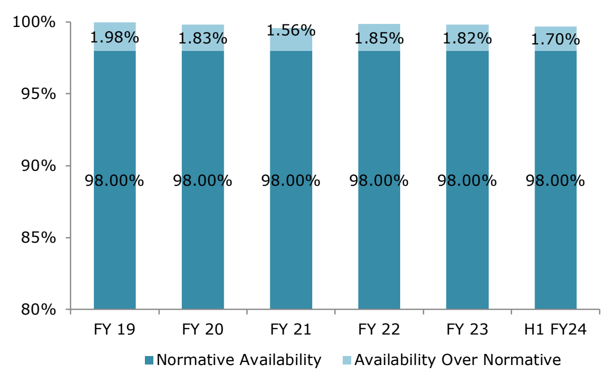
The OGPTL project is a part of Common Transmission System for Phase – II Generation Projects and Immediate Evacuation System for OPGC Projects in Odisha. The transmission lines will be part of the interstate transmission network providing additional evacuation up to 5,000 MW of electricity from Odisha-based plants that are seeking better access to power-consuming centers. The OPGC – Jharsuguda 400 kV D/C transmission line was commissioned in August 2017 and Jharsuguda – Raipur 765 kV D/C transmission line in April 2019. The SPV would operate and maintain these for a minimum tenure of 35 years.

Parameters	Details
Project Cost	INR 12,200 Mn
Total Length	710 ckms /355 kms
Scheduled COD	8th Aug 2019
Concession period	35 years from SCOD
Trust's stake	100% economic ownership

OGPTL consists of the following transmission assets:

Transmission line/Sub-Station	Location	Length (ckms)	Specifications	Actual COD	Contribution to total Revenue
Jharsuguda-Raipur	OD	610	765 kV D/C	6 Apr 2019	94%
OPGC-Jharsuguda	OD	103	400 kV D/C	30 Aug 2017	6%

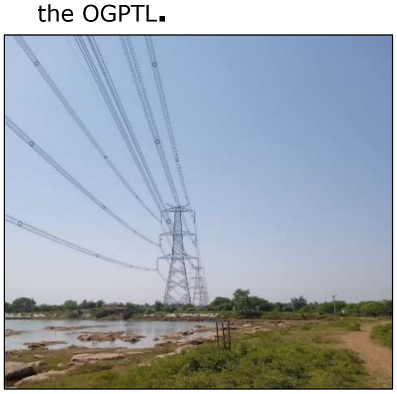
Operating Efficiency history of OGPTL:

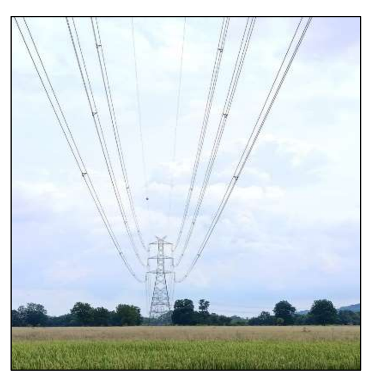


Source: Investment Manager

The average of Annualised Availability for OGPTL from COD to H1 FY 24 is 99.8%.

My team had conducted physical site visit of OGPTL on 28th November 2023. Following are the pictures of the OGPTL.





9. East-North Interconnection Company Limited ("ENICL")

The ENICL project was awarded to Sterlite Technologies Limited, by the Ministry of Power on 7th January 2010 for a period of 25 years from the date of issue of Transmission License by Central Electricity Regulatory Commission ("CERC") on a BOOM basis

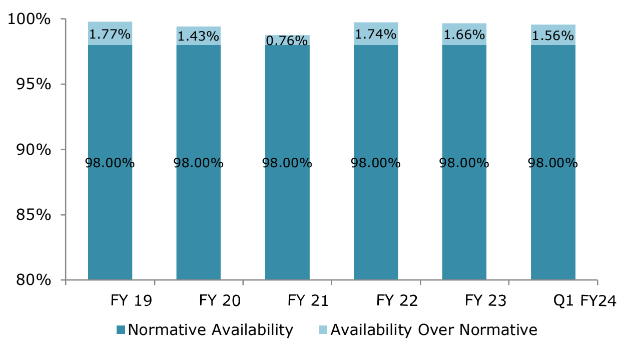
ENICL is engaged in the establishment of two 400 KV Double Circuit transmission lines (with a total line length of 452 Km) that passes through the Indian states at Assam, West Bengal, and Bihar. Bongaigaon Silliguri Line, having the length of 219 kms passing through the states of Assam and West Bengal. Purnea Biharsharif Line with the length of 229 kms passes through the state of Bihar. As per the terms of TSA, ENICL would construct, operate and maintain these for a minimum tenure of 25 years.

Parameters	Details
Project Cost	INR 12,519 Mn
Total Length	896 ckms
Scheduled COD	7th Jan 2013
Concession period	25 years from issue of transmission license
Trust's stake	100% economic ownership

ENICL consists of the following transmission assets:

Transmission line/Sub-Station	Location	Length (ckms)	Specifications	Actual COD	Contribution to total Revenue
Bongaigaon-Silliguri	AS,WB,BH	438	400 kV D/C	12 Nov 2014	52%
Purnea-Biharsharif	BH	458	400 kV D/C	16 Sep 2013	48%

Operating Efficiency history of ENICL:



Source: Investment Manager

The average of Annualised Availability for ENICL from COD to H1 FY 24 is 99.5%.

My team had conducted physical site visit of ENICL on 1st December 2023. Following are the pictures of the ENICL.

10. Gurgaon Palwal Transmission Limited ("GPTL")

GPTL project was awarded to Sterlite Grid 4 Limited, a wholly owned subsidiary of SPGVL (now merged with SPTL), by the Ministry of Power for a period of 35 years from the Scheduled COD on a BOOM basis. GPTL was granted Transmission License by CERC on 29th September 2016. GPTL consists of three GIS substations, transmission lines and two bays to meet the rising power demand in Gurgaon and Palwal.

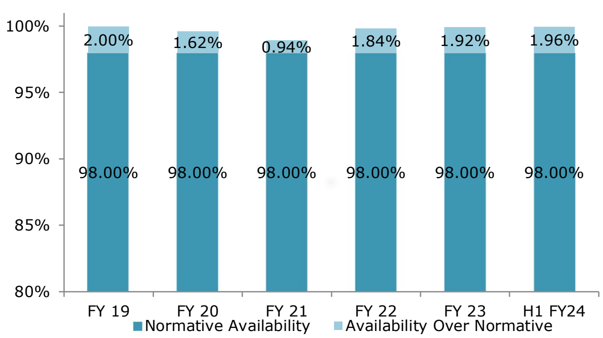
GPTL consists of three gas-insulated substations (GIS) with a total transformation capacity of 3,000 MVA and ~273 circuit kilometers of 400 KV transmission lines, to enhance power transmission in the region. Due to change in law during the construction period, GPTL has been claiming increase in Non Escalable Transmission charges at the rate of 1.52% from its Long Term Transmission Customers. I have considered such increase in Non Escalable Transmission charges based on representation by the Investment Manager.

Parameters	Details
Project Cost	INR 10,520 Mn
Total Length	273 ckms
Scheduled COD	13th September 2019
Concession period	35 years from SCOD
Trust's stake	100% economic ownership

GPTL consists of the following transmission assets:

Transmission line/Sub-Station	Length (ckms)	Specifications	Actual COD
Aligarh-Prithala	99	400 kV D/C	6 Aug 2019
Prithala-Kadarpur	58	400 kV D/C	7 Dec 2019
Kadarpur-Sohna Road	21	400 kV D/C	21 Mar 2020
LILO of Gurgaon Manesar	2	400 kV D/C	13 Mar 2020
Neemrana-Dhonanda	93	400 kV D/C	25 Feb 2019
Kadarpur Substation	-	400/220 kV, 2X500 MVA	11 Dec 2019
Sohna Substation	-	400/220 kV, 2X500 MVA	13 Apr 2020
Prithala Substation	-	400/220 kV, 2X500 MVA	6 Aug 2019
Dhonanda Substation Bays	-	2X400 Line Bays	25 Feb 2019

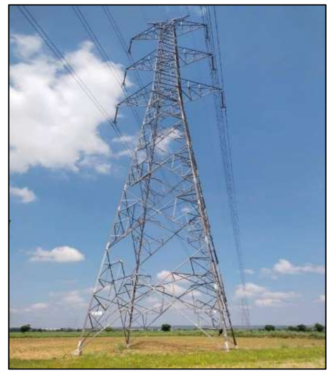
Operating Efficiency history of GPTL:



Source: Investment Manager

The average of Annualised Availability for GPTL from COD to H1 FY 24 is 99.7%.

My team had conducted physical site visit of GPTL on 29th November 2023. Following are the pictures of the GPTL.



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11. NER-II Transmission Limited ("NERTL")

The NERTL project was awarded to SGL 4, wholly owned subsidiary of SPGVL (now merged with SPTL), by the Ministry of Power for a period of 35 years from SCOD of NERTL on a BOOM basis. NERTL was granted Transmission License by CERC on 23rd May 2017. The project has 11 elements including two substations of ~1,260 MVA capacity and four transmission lines extending over ~832 circuit kilometers. The asset spans across the states of Assam, Arunachal Pradesh and Tripura.

Due to change in law during the construction period, NERTL has been claiming increase in Non Escalable Transmission charges at the rate of 3.93% from its Long Term Transmission Customers. I have considered such increase in Non Escalable Transmission charges based on representation by the Investment Manager.

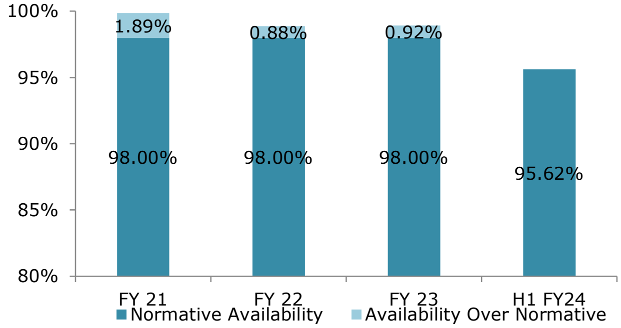
Parameters	Details
Project Cost	INR 30,649 Mn
Total Length	449 kms / 832 Ckms
Scheduled COD	31st March 2020 to 30th November 2020
Revised SCOD	31st August 2020 and 30th April 2021
Concession period	35 years from SCOD
Trust's stake	100% economic ownership

As informed by the Investment Manager, there was tripping in the transmission line of the SPV due to technical issue. The management is actively working on fixing the issue permanently. However, it is anticipated that this issue may persist in the near future, which could potentially affect the availability of the NERTL.

NERTL consists of the following transmission assets:

Transmission line/Sub-Station	Location	Length (ckms)	Specifications	Actual COD
BNC – Itanagar	AS,AP	136	132 kV DC	6 Apr 2021
LILO of Biswanath Chariali (PG) – Itanagar	AP	NA	2 No. of Line Bays 132 kV	6 Apr 2021
Line bays at Itanagar Substation	AP	17	132 kV DC	6 Apr 2021
Silchar – Misa	AS	357	400 kV DC	1 Mar 2021
Surajmaninagar Substation	TR	NA	400/132 kV (2X315 MVA)	27 Jan 2021
Surajmaninagar-PK Bari 400/132 Kv	TR	238	400/132 kV DC	27 Jan 2021
Surajmaninagar – PK Bari	TR	36	400 kV DC	27 Jan 2021
NEEPCO-PK Bari	TR	48	132 kV DC	23 Feb 2021
AGTPP (NEEPCO) Line Bays	TR	NA	2 No. of Line Bays 132 kV	23 Feb 2021
PK Bari (TSECL) Line Bays	TR	NA	2 No. of Line Bays 132 kV	23 Feb 2021
PK Bari Substation	TR	NA	400/132 kV (2X315 MVA)	27 Jan 2021

Operating Efficiency history of NERTL:



Source: Investment Manager

The average of Annualised Availability for NERTL from COD to Q1 FY 24 is 99.4%.

My team had conducted physical site visit of NERTL on 1st December 2023. Following are the pictures of the NERTL.

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12. Raichur Sholapur Transmission Company Private Limited ("RSTCPL")

RSTCPL was incorporated on 19th November 2009 to establish transmission system for evacuation of power from Krishnapattnam UMPP and other IPPS in southern region to beneficiaries in the western region of India. The SPV was responsible for construction of one line of 765 KV between Raichur and Sholapur.

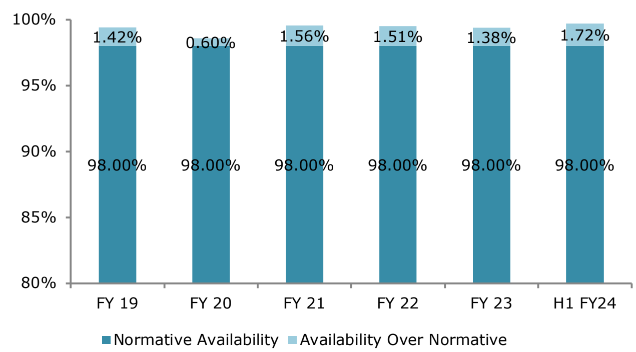
Parameters	Details
Total Length	208 ckms
Scheduled COD	7h Jan 2014
Concession period	35 years from SCOD
Location	Karnataka, Maharashtra
Trust's stake	100% economic ownership

As informed by the Investment Manager, basis the due diligence done, 3 towers of the transmission line of the SPV collapsed in the month of May 2019 due to heavy storms, due to which the availability for the months of June and July 2019 were affected. The deemed availability was granted to the SPV for the month of June 2019, but not for July 2019. The Investment Manager has informed that it was an exceptional one-time event and that they do not foresee any deficiency in the transmission assets of the SPV.

RSTCPL consists of the following transmission assets:

Transmission line/Sub-Station	Location	Length (ckms)	Specifications	Actual COD
Raichur-Solapur	KN,MH	208	765 KV	4 Jul 2014

Operating Efficiency history of RSTCPL:



Source: Investment Manager

The average of Annualised Availability for RSTCPL from COD to H1 FY 24 is 99.5%.

My team had conducted physical site visit of RSTCPL on 1st December 2023. Following are the pictures of the RSTCPL.

13. Khargone Transmission Limited ("KTL")

KTL was incorporated to establish transmission system for Transmission System Strengthening in WR associated with Khargone Thermal Power Plant of 1,320 MW (2×660MW) at Khargone in the state of Madhya Pradesh. The SPV was responsible for construction of 4 transmission lines of between Maharashtra and Southern region. The project will evacuate 1,320 MW of power generated by the Khargone Power Plant to 765 kV Khandwa substation to further distribute it downstream across Madhya Pradesh, Maharashtra, Chhattisgarh, Gujarat, Goa, Daman & Diu, and Dadra & Nagar Haveli.

KTL was incorporated on 28th November 2015 by REC Transmission Projects Company Limited. After successful completion of bidding process for the project, the SPV was transferred to a Sterlite Grid 4 Limited vide share purchase agreement dated 22nd August 2016. Further, during FY 2021-22, Sterlite Grid 4 Limited was merged into its immediate holding company, i.e. Sterlite Power Transmission Limited.

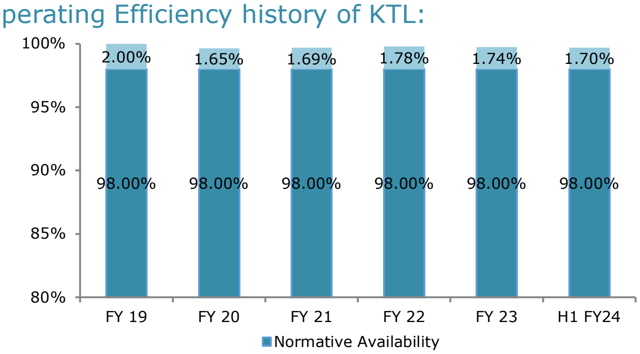
Due to change in law (GST impact) during the construction period, KTL has been claiming increase in Non Escalable Transmission charges at the rate of ~1.57% from its Long Term Transmission Customers. I have considered such increase in transmission charges based on the representation by the Investment Manager.

Parameters	Details
Project Cost	INR 16,630 Mn
Total Length	626 ckms
Scheduled COD	31st July 2019
Concession period	35 years from SCOD
Line Voltage Class (Kv)	765 Kv / 400 kv
Actual COD	13th December 2021

KTL consists of the following transmission assets:

Transmission line/Sub-Station	Location	Length (ckms)	Specifications	Actual COD	Contribution to total Revenue
TL: Khandwa – Rajgarh (LILO)	MP	13.57	400 kV D/C	6 Aug 2019	0.39%
Prithala-Kadarpur	MP	50.10	400 kV D/C	7 Dec 2019	8.34%
Kadarpur-Sohna Road	MP	180.08	765 kV D/C	21 Mar 2020	29.62%
LILO of Gurgaon Manesar	MH	382.66	765 kV D/C	13 Mar 2020	40.62%
Neemrana-Dhonanda	MP		765/400 Kv, 2x1500 MVA	25 Feb 2019	17.20%
Kadarpur Substation	MH		765 Kv line bays and 7x80 MVAR switchable reactors	11 Dec 2019	3.83%

Operating Efficiency history of KTL:



Source: Investment Manager

The average of Annualised Availability for KTL from COD to Q1 FY 24 is 99.76%.

My team had conducted physical site visit of KTL on 20th November 2023. Following are the pictures of the KTL.

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14. Kallam Transmission Limited ("KLMTL")

KLMTL will consist of one substation of 2 x 500 MVA, 400/220 kV near Kallam and associated Bays with a LILO multi circuit line of ~18 kms.

KLMTL project will strengthen the transmission system in Maharashtra by improving the grid availability for evacuation & integration of renewable energy in the state. The project is situated in a low-risk plain topography. Its objective is to establish a transmission system for evacuation of power from renewable energy projects in Osmanabad area (1 GW) in Maharashtra.

The KLMTL project was awarded to the consortium of IndiGrid 1 Limited and IndiGrid 2 Limited (wholly-owned subsidiaries of India Grid Trust), by REC Power Development and Consultancy Limited for a period of 35 years from COD of KLMTL on a BOOM basis through tariff based competitive bidding.

As per the terms of TSA, the SCOD for various elements of the SPV is 18 months from effective date. Further, as per the Investment Manager, a force majeure event occurred, causing a delay in the entire project. The force majeure event has resulted in ECOD being revised to Q3 FY 2024.

Parameters	Details
Total Length	~18 Ckms
Total Capacity (MVA)	1,260
TSA Signing Date	30th September 2021
SCOD	27th June 2023
ECOD	Q3 FY 2024
Trust's stake	100% economic ownership

KLMTL consists of the following transmission assets:

Transmission line/ Sub-Station	Length (ckms)	Specifications	Actual COD
Establishment of 2x500 MVA, 400/220 kV substation near Kallam PS		400/220 kV, 2x500 MVA	30 Sep 2023
1x125 MVAr bus reactor at Kallam PS 400 kV reactor bay – 1		1x125 MVAr	30 Sep 2023
LILO of both circuits of Parli (PG) – Pune (GIS) 400 kV D/c line at Kallam PS	18	400 kV D/c	30 Sep 2023
New 50 MVAr switchable line reactor with 400 ohms NGR at Kallam PS end of Kallam – Pune (GIS) 400 kV D/c line		50 MVAr	30 Sep 2023

My team had conducted physical site visit of KLMTL on 30th November 2023. Following are the pictures of the KLMTL.

15. Jhajjar KT Transco Private Limited ("JKTPL")

The JKTPL project was awarded on 28th May 2010 to a joint venture between Kalpataru Power Transmission Ltd and Techno Electric & Engineering Co. Ltd., by the Haryana Vidyut Prasaran Nigam Limited ("HVPNL") for a period of 25 years effective from the appointed date on a DBFOT basis. JKTPL was granted Transmission License by CERC on 26th October 2010.

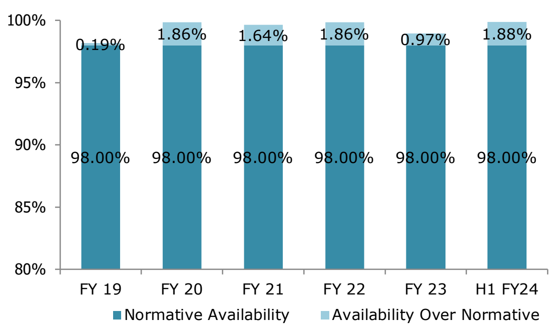
JKTPL consists of ~100 kms 400 KV Jhajjar – Kabalpur - Dipalpur transmission line and two substations with a transformation capacity of 830 MVA each in the state of Haryana. It spans over 205 ckms, while delivering from the 1,320 MW thermal power plant in Jhajjar to enhance power transmission in the region.

Parameters	Details
Total Length	205 ckms
Scheduled COD	12th March 2012
Concession period	25 years from the issue of Transmission License, extendable for 10 years as per TSA
Location	Haryana
Trust's stake	100% economic ownership

JKTPL consists of the following transmission assets:

Transmission line/ Sub-Station	Length (ckms)	Specifications	Actual COD
Jharli (Jhajjar) to Kabulpur (Rohtak)	70	400 kV D/C line	14 Dec 2017
Kabulpur (Rohtak) to Dipalpur (Sonepat)	134	400 kV D/C line	14 Dec 2017
Abdullapur - Bawana at Dipalpur (Sonepat)	1	400 kV S/C LILO	14 Oct 2017
Kabulpur AIS Substation (Rohtak)	NA	400 kV/220 kV/132 kV (830 MVA)	14 Oct 2017
Dipalpur AIS Substation (Sonepat)	NA	400 kV/220 kV/132 kV (830 MVA)	

Operating Efficiency history of JKTPL:



Source: Investment Manager

The average of Annualised Availability for JKTPL from COD to H1 FY 24 is 99.3%.

My team had conducted physical site visit of JKTPL on 30th November 2023. Following are the pictures of the JKTPL.

16. Parbati Koldam Transmission Company Limited ("PrKTCL")

PrKTCL owns and operate 280 Km (458 circuit kms) of 400 kV transmission lines across Himachal Pradesh and Punjab. PrKTCL evacuate power from power plants situated in Himachal Pradesh, viz. 800MW Parbati – II and 520MW Parbati – III Hydro Electric Plant (HEP) of NHPC, 800 MW Koldam HEP project of NTPC and 100 MW Sainj HEP of HPPCL.

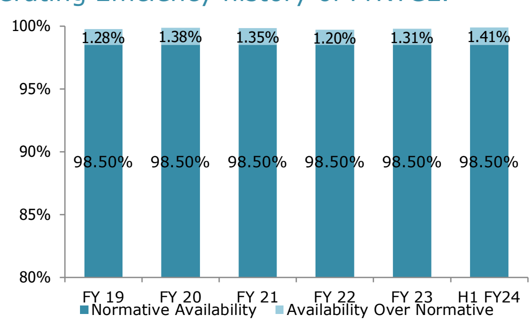
PrKTCL was incorporated on 2nd September 2002 and promoted to undertake the construction and operation of transmission line in area of Punjab and Haryana on BOO basis. PrKTCL has been granted transmission license under section 14 of the Act. PrKTCL operate 458 ckm of 400 kV lines in the area of Punjab and Himachal Pradesh. The tariff of PrKTCL is determined under section 62 of the Act read with Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019. The transmission assets have been developed under a cost-plus tariff model which includes construction, maintenance and operation of transmission lines and evacuating power from power plants situated in Himachal Pradesh and Punjab, with total line length of ~458 Ckms.

Parameters	Details
Project Cost	INR 9,354 Mn
Total Length	458 ckms
Scheduled COD	03rd November 2015
Concession period	25 years from the issue of Transmission License
Trust's stake	74% economic ownership (Balance 26% stake held by PGCIL)

PrKTCL consists of the following transmission assets:

Transmission line/ Sub-Station	Length (ckms)	Specifications	Actual COD
Asset 1 – Koldam Ludhiana CKT I	150.64	400 kV D/C, Triple Bundle Line	7 Aug 2014
Asset 2 – Koldam Ludhiana CKT II	150.64	400 kV D/C, Triple Bundle Line	14 Aug 2014
Asset 3 – Banala-Nalagarh	66.38	400 kV S/C along with D/C Quad Bundle Line	10 Oct 2014
Asset 4 – Banala Koldam	62.63	400 kV S/C along with D/C Quad Bundle Line	4 Oct 2014
Asset 5 – Parbati-II HEP to LILO point of Banala Pooling Station (CKT-I)	12.83	400 kV S/C along with D/C Quad Bundle Line	3 Nov 2015
Asset 6 – Parbati II HEP to LILO point of Banala Pooling Station (CKT II)	11.27	400 kV S/C along with D/C Quad Bundle Line	3 Nov 2015
Asset 7 – LILO point of Parbati III HEP to LILO point of Parbati Pooling Station	3.51	400 kV S/C along with D/C Quad Bundle Line	1 Aug 2013

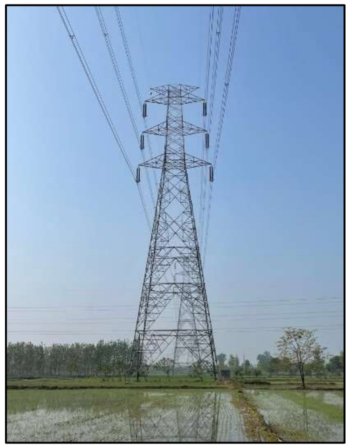
Operating Efficiency history of PrKTCL:



Source: Investment Manager

The average of Annualised Availability for PrKTCL from COD to H1 FY 24 is 99.8%.

My team had conducted physical site visit of PrKTCL on 1st December 2023. Following are the pictures of the PrKTCL.



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17. Terralight Solar Energy SitamauSS Private Limited ("TL SitamauSS")

TL SitamauSS is engaged in the business of providing transmission and step-up services to its shareholder companies. The services provided by TL SitamauSS are essential and integral to the functioning of the solar plants owned by these shareholder companies. TL SitamauSS serves as an interconnection between the electricity delivery point and the electricity generating plant.

Moreover, TL SitamauSS offers transmission services to four Special Purpose Vehicles (SPVs). Among these SPVs, two are owned by VRET (Globus and TL Patlasi), while the other two are owned by Brookfield (Focal Photovoltaic India Private Limited and Focal Renewable Energy Two Private Limited). VRET hold a 66.06% ownership stake in TL SitamauSS through its SPVs, TL Patlasi and Globus, with each SPV owning 33.03%, the remaining balance is owned by Brookfield entities.

Considering the SPV's nature of being used for captive consumption and functioning solely as a cost center without generating any revenue, the Investment Manager has decided not to value the same for the proposed transaction.

My team had conducted physical site visit of TL SitamauSS on 1st December 2023. Following are the pictures of the TL SitamauSS.

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18 & 19. IndiGrid Solar-I (AP) Private Limited ("ISPL 1") and IndiGrid Solar-II (AP) Private Limited ("ISPL 2")

Summary of project details of ISPL 1 and ISPL 2 are as follows:

Parameters	ISPL 1	ISPL 2
Project Cost	INR 3,130 Mn	INR 3,149 Mn
Capacity	50 MW (AC) / 68 MW (DC)	50 MW (AC) / 70 MW (DC)
State / Location	Ananthapuramu Solar Park, District Kadapa, Andhra Pradesh	Ananthapuramu Solar Park, District Kadapa, Andra Pradesh
EPC Contractor	Sterling & Wilson Private Limited	Sterling & Wilson Private Limited
Counter Party (for PPA)	Solar Energy Corporation of India Ltd.	Solar Energy Corporation of India Ltd.
Scheduled commissioning date (revised)	26th June 2018	13th October 2018
Actual commissioning date	22nd June 2018	08th October 2018
Actual Commercial Operation Date ("COD")	22nd July 2018	31st January 2019
Period of PPA	25 years from COD	25 years from COD
Sale Model	Sale to DISCOM + VGF	Sale to DISCOM + VGF
Project Model	Build Own Operate (BOO)	Build Own Operate (BOO)
PPA Tariff Rate	INR 4.43 per kWh unit	INR 4.43 per kWh unit
Trust's Stake	100% economic ownership	100% economic ownership

ISPL 1 was incorporated on 14th July 2016 and ISPL 2 was incorporated on 9th July 2016. These Solar Assets have each set up and commissioned a 50 MW (AC) solar photo voltaic power generation system at Annanthapuramu Solar Park in the state of Andhra Pradesh. Power generated from these Solar Assets is sold under long term Power Purchase Agreement ("PPA") between the Solar Assets and Solar Energy Corporation of India Limited ("SECI"). I understand that SECI has further signed PPA with Eastern and Southern Power Distribution Companies of Andhra Pradesh - APEPDCL & APSPDCL for entire capacity.The Solar Assets were selected through competitive reverse bidding under JNNSM Phase – II Batch-III, Tranche-IV. SECI is the nodal agency for implementation of Ministry of New & Renewable Energy ("MNRE") schemes for developing grid connected solar power capacity through Viability Gap Funding ("VGF") mode.

The Solar Assets have entered into a leasehold agreement for the land parcel from APSCPL for a period of 25 years from the COD, which can be extended through mutual agreement

My team and/or I have conducted the physical site visit on 30th November 2023. Following are the pictures the ISPL 1 and 2:


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20. TN Solar Power Energy Private Limited ("TNSEPL")

Summary of project details of TNSEPL are as follows:

Parameters	Details
Installed Capacity (DC)	27.60 MW
Plant Location	Thuthookudi, Tamil Nadu (12.00 MW) Virudhunagar, Tamil Nadu (9.60 MW) Dindigul, Tamil Nadu (6.00 MW)
Actual COD	01-Nov-2015 (Average)
Land Area	116.21 Acres
O&M Contractor	AVI Solar Energy Pvt. Ltd.
PPA Counterparty	Tamil Nadu Generation and Distribution Corporation Ltd.
PPA Date	12th September 2014
PPA Term	25 years from Actual COD
PPA Tariff	INR 7.01 per Unit
TRUST's stake	100% economic ownership

TNSEPL is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Thuthookudi (12.00 MW), Virudhunagar (9.60 MW), and Dindigul (6.00 MW) in Tamil Nadu. The Company had entered into a PPA with Tamil Nadu Generation and Distribution Corporation Ltd. ("TANGEDCO") on 12th September 2014 for implementation of a 27.60 MW Solar Photovoltaic Power Generation Unit in the State of Tamil Nadu, under which it has a commitment to sell electricity for a period of 25 years.

My team had conducted physical site visit of TNSEPL on 27th November 2023. Following are the pictures of the TNSEPL.

21. Universal Mine Developers & Service Providers Private Limited ("UMD")

Summary of project details of UMD are as follows:

Parameters	Details
Installed Capacity (DC)	30.00 MW
Plant Location	Amathur, Tamil Nadu (14.40 MW) Kovilpatti, Tamil Nadu (15.60 MW)
Actual COD	20-Jan-2016 (Average)
Land Area	147.29 Acres
O&M Contractor	AVI Solar Energy Pvt. Ltd.
PPA Counterparty	Tamil Nadu Generation and Distribution Corporation Ltd.
PPA Date	12-Sept-14
PPA Term	25 years from Actual COD
PPA Tariff	INR 7.01 per Unit
TRUST's stake	100% economic ownership

UMD is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Amathur (14.40 MW) & Kovilpatti (15.60 MW) in Tamil Nadu. The Company had entered into a PPA with Tamil Nadu Generation and Distribution Corporation Ltd. ("TANGEDCO") on 12th September 2014 for implementation of a 30 MW Solar Photovoltaic Power Generation Unit in the State of Tamil Nadu, under which it has a commitment to sell electricity for a period of 25 years.

My team had conducted physical site visit of UMD on 27th November 2023. Following are the pictures of the UMD.

22. Terralight Kanji Solar Private Limited ("TL Kanji")

Summary of project details of TL Kanji are as follows:

Project I - TKSPL

Parameters	Details
Installed Capacity (DC)	36.00 MW
Plant Location	Thuthookudi, Tamil Nadu (12.00 MW) Virudhunagar, Tamil Nadu (9.60 MW) Dindigul, Tamil Nadu (6.00 MW)
Actual COD	26-Mar-16
Land Area	160.03 Acres
O&M Contractor	AVI Solar Energy Pvt. Ltd.
PPA Counterparty	Tamil Nadu Generation and Distribution Corporation Ltd.
PPA Date	12-Sept-14
PPA Term	25 years from Actual COD
PPA Tariff	INR 7.01 per Unit
TRUST's stake	100% economic ownership

Terralight Kanji Solar Private Limited (earlier known as Shapoorji Pallonji Solar PV Private Limited) is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Tiruvannamalai, Tamil Nadu. TKSPL had entered into a PPA with Tamil Nadu Generation and Distribution Corporation Ltd. ("TANGEDCO") on 12th September 2014 for implementation of a 36 MW Solar Photovoltaic Power Generation Unit in the State of Tamil Nadu, under which it has a commitment to sell electricity for a period of 25 years.

My team had conducted physical site visit of TL Kanji on 28st November 2023. Following are the pictures of the TL Kanji.

Project II – Lalitpur Project

Parameters	Details
Installed Capacity (DC)	12.42 MW
Plant Location	Lalitpur, Uttar Pradesh
Actual COD	19-Mar-15
Land Area	48.1 Acres
O&M Contractor	AVI Solar Energy Pvt. Ltd.
PPA Counterparty	Uttar Pradesh Power Corporation Limited
PPA Date	27-Dec-13
PPA Term	12 Years from Actual COD, extendable by 13 years
PPA Tariff	INR 8.44 per Unit for 12 years, APPC tariff post PPA
TRUST's stake	100% economic ownership

TL Kanji acquired 12.42 MW (10.00 MW AC) solar project from Jakson Power Private Limited in Aug '22.

Lalitpur Project is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Lalitpur, Uttar Pradesh. TL Kanji had entered into a PPA with Uttar Pradesh Power Corporation Limited ("UUPCL") on 12th September 2014 for implementation of a 12.42 MW Solar Photovoltaic Power Generation Unit in the State of Uttar Pradesh, under which it has a commitment to sell electricity for a period of 12 years. As per the PPA the term can be extended to further 13 years on willingness of the developer.

My team and/or I have conducted the physical site visit on 1st December 2023.Following are the pictures of the Lalitpur Project:

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23. Terralight Rajapalayam Solar Private Limited ("TL Raj")

Summary of project details of TL Raj are as follows:

Parameters	Details
Installed Capacity (DC)	54.00 MW
Plant Location	Rajapalayam, Tamil Nadu
Scheduled Commercial Operation Date (SCOD)	26-Sept-18
Actual COD	26-Sept-18
Land Area	224.48 Acres
O&M Contractor	AVI Solar Energy Pvt. Ltd.
PPA Counterparty	Tamil Nadu Generation and Distribution Corporation Ltd. (TANGEDCO)
PPA Date	27-Sept-17
PPA Term	25 years from Actual COD
PPA Tariff	INR 3.47 per unit
TRUST's stake	100% economic ownership

Terralight Rajapalayam Solar Private Limited (earlier known as Shapoorji Pallonji Suryaprakash Private Limited) is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Rajapalayam, Tamil Nadu. The Company had entered into a PPA with TANGEDCO on 27th September 2017 for implementation of a 54.00 MW Solar Photovoltaic Power Generation Unit in the State of Tamil Nadu, under which it has a commitment to sell electricity for a period of 25 years.

My team had conducted physical site visit of TL Raj on 27th November 2023. Following are the pictures of the TL Raj.

24. Solar Edge Power and Energy Private Limited ("Solar Edge")

Summary of project details of Solar Edge are as follows:

Parameters	Details
Installed Capacity (DC)	169 MW
Plant Location	Beed, Maharashtra (104 MW) Jalgaon, Maharashtra (65 MW)
Scheduled Commercial Operation Date (SCOD)	23-Dec-17
Actual COD	18-April-18 (Average)
Land Area	718.99 Acres
O&M Contractor	Param Renewable Energy Pvt. Ltd.
PPA Counterparty	Solar Energy Corporation of India Ltd. (SECI)
PPA Date	10-Feb-17
PPA Term	25 years from Actual COD
PPA Tariff	INR 4.43 per unit
TRUST's stake	100% economic ownership

Solar Edge is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Beed (104 MW) & Jalgaon (65 MW) in Maharashtra. It had entered into a Power Purchase Agreement ("PPA") with Solar Energy Corporation of India Ltd. ("SECI") on 10th February 2017 for implementation of a 169.00 MW Solar Photovoltaic Power Generation Unit in the State of Maharashtra, under which it has a commitment to sell electricity for a period of 25 years.

My team and/or I have conducted the physical site visit of Solar Edge on 1st December 2023. Following are the pictures of the Solar Edge:

25. Terralight Solar Energy Charanka Private Limited ("TL Charanka")

Summary of project details of TL Charanka are as follows:

Parameters	Details
Installed Capacity (DC)	15.00 MW
Plant Location	Patan, Gujarat
Scheduled Commercial Operation Date (SCOD)	30-Jun-11 for 3.00 MW 31-Dec-11 for 12.00 MW
Actual COD	28-Mar-12 (Average)
Land Area	78.52 Acres
O&M Contractor	Mitarsh Energy Private Limited
PPA Counterparty	Gujarat Urja Vikas Nigam Limited
PPA Date	29-May-10
PPA Term	25 years from Actual COD
PPA Tariff (Weighted average)	INR 11.32 till FY 23 INR 11.11 during FY 24 INR 6.99 during FY 25 INR 6.47 from FY 26 till FY 37
TRUST's stake	100% economic ownership

Terralight Solar Energy Charanka Private Limited (earlier known as Sindicatum Solar Energy Gujarat Private Limited) is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Patan, Gujarat. The Company had entered into a PPA with Gujarat Urja Vikas Nigam Limited ("GUVNL") on 29th May 2010 for implementation of a 15.00 MW Solar Photovoltaic Power Generation Unit in the State of Gujarat, under which it has a commitment to sell electricity for a period of 25 years.

My team and/or I have conducted the physical site visit of TL Charanka on 30th November 2023. Following are the pictures TL Charanka:

26. Terralight Solar Energy Tinwari Private Limited ("TL Tinwari")

Summary of project details of TL Tinwari are as follows:

Parameters	Details
Installed Capacity (DC)	5.85 MW
Plant Location	Jodhpur, Rajasthan
Scheduled Commercial Operation Date (SCOD)	15-Oct-11
Actual COD	15-Oct-11
Land Area	37.06 Acres
O&M Contractor	Meera Corporation
PPA Counterparty	NTPC Vidyut Vyapar Nigam Ltd.
PPA Date	15-Oct-10
PPA Term	25 years from Actual COD
PPA Tariff	INR 17.91 per unit
TRUST's stake	100% economic ownership

Terralight Solar Energy Tinwari Private Limited (earlier known as Sindicatum Solar Energy Private Limited) is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Jodhpur, Rajasthan. The Company had entered into a PPA with NTPC Vidyut Vyapar Nigam Ltd. ("NVVN") on 15th October 2010 for implementation of a 5.85 MW Solar Photovoltaic Power Generation Unit in the State of Rajasthan, under which it has a commitment to sell electricity for a period of 25 years.

My team had conducted physical site visit of TL Tinwari on 17th November 2023. Following are the pictures of the TL Tinwari:

27. PLG Photovoltaic Private Limited ("PLG")

Summary of project details of PLG are as follows:

Parameters	Details
Installed Capacity (DC)	20.00 MW
Plant Location	Sami, Patan, Gujarat
Scheduled Commercial Operation Date (SCOD)	31-May-11 for 10 MW 30-Jun-11 for 10 MW
Actual COD	26-Jan-12
Land Area	107 Acres
O&M Contractor	Mitarsh Energy Private Limited
PPA Counterparty	Gujarat Urja Vikas Nigam Limited
PPA Date	20-May-10
PPA Term	25 years from Actual COD
PPA Tariff	INR 15 per unit for first 12 years INR 5 per unit from 13th year
TRUST's stake	100% economic ownership

PLG is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Sami, Patan, and Gujarat. The Company had entered into a PPA with Gujarat Urja Vikas Nigam Limited ("GUVNL") on 20th May 2010 for implementation of a 20.00 MW Solar Photovoltaic Power Generation Unit in the State of Gujarat, under which it has a commitment to sell electricity for a period of 25 years.

My team and/or I have conducted the physical site visit of PLG on 30th November 2023. Following are the pictures of the PLG:

28. Universal Saur Urja Private Limited ("USUPL")

Summary of project details of USUPL are as follows:

Project I – USUPL

Parameters	Details
Installed Capacity (DC)	36.98 MW
Plant Location	Mahoba District, Uttar Pradesh
Actual COD	15-Sept-16
Land Area	37.06 Acres
O&M Contractor	Meera Corporation
PPA Counterparty	Uttar Pradesh Power Corporation Ltd.
PPA Date	06-April-15
PPA Term	25 years from Actual COD
PPA Tariff	INR 9.33 per unit for first 12 years Est. INR 3.25 per unit from 13th year (Fixed Tariff till for first 12 years, then RoE based tariff will be as determined by the state commission in the 11th year)
TRUST's stake	100% economic ownership

USUPL is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Mahoba District, Uttar Pradesh. The Company had entered into a PPA with Uttar Pradesh Power Corporation Ltd. on 6th April 2015 for implementation of a 35.24 MW (capacity now augmented to 36.98 MW) Solar Photovoltaic Power Generation Unit in the State of Uttar Pradesh, under which it has a commitment to sell electricity for a period of 25 years.

My team and/or I have conducted the physical site visit of USUPL on 1st December 2023. Following are the pictures of the USUPL Project I - USUPL:

Project II – Jodhpur

Parameters	Details
Installed Capacity (DC)	25.88 MW
Plant Location	Rajasthan
Actual COD	26-Feb-13
Land Area	106.68 acres
O&M Contractor	Mahindra Teqo Private Limited
PPA Counterparty	NTPC Vidyut Vyapar Nigam Ltd.
PPA Date	25-Jan-12
PPA Term	25 Years
PPA Tariff	INR 8.59 per Unit
TRUST's stake	100% economic ownership

USUPL acquired Jodhpur Project 25.88 MW (20.00 MW AC) solar project from Jakson Power Private Limited during FY 23. Jodhpur Project is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Jodhpur, Rajasthan. The Company had entered into a PPA with NTPC Vidyut Vyapar Nigam Ltd. on 25th January 2012 for implementation of a 25.88 MW Solar Photovoltaic Power Generation Unit in the State of Jodhpur, under which it has a commitment to sell electricity for a period of 25 years.

My team had conducted physical site visit of Jodhpur Project on 17th November 2023. Following are the pictures of the USUPL Project II - Jodhpur:

29. Globus Steel And Power Private Limited ("Globus")

Summary of project details of Globus are as follows:

Parameters	Details
Installed Capacity (DC)	23.67 MW
Plant Location	Nataram Village, Sitamau, Mandsaur, Madhya Pradesh, India
Actual COD	29-Jan-16
Land Area	156.28 Acres
O&M Contractor	Mitarsh Energy Private Limited
PPA Counterparty	Madhya Pradesh Power Management Company Limited
PPA Date	16-Jun-14
PPA Term	25 years from Actual COD
PPA Tariff	INR 6.969 per unit
TRUST's stake	100% economic ownership

Globus is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Nataram Village, Sitamau Taluka, and Mandsaur District of Madhya Pradesh. Power Purchase Agreement (PPA) has been signed between developer and Madhya Pradesh Power Management Company Limited (MPPMCL), at a fixed rate of ₹ 6.969 / kWh for a period of 25 Years on 16th June 2014.The DC capacity of the project is 23.67 MW and AC capacity is 20.00 MW.

My team and/or I have conducted the physical site visit of Globus on 1st December 2023. Following are the pictures of the Globus:

30. Terralight Solar Energy Patlasi Private Limited ("TL Patlasi")

Summary of project details of TL Patlasi are as follows:

Parameters	Details
Installed Capacity (DC)	22.10 MW
Plant Location	Village Choti Patlasi, Sitamau Tehsil, Mandsaur, Madhya Pradesh
Actual COD	06-Jun-15 (Average)
Land Area	116.90 Acres
O&M Contractor	Mitarsh Energy Private Limited
PPA Counterparty	Solar Energy Corporation of India
PPA Date	25-April-14
PPA Term	25 years from Actual COD
PPA Tariff	INR 5.45 per unit
TRUST's stake	100% economic ownership

TL Patlasi (earlier known as Focal Energy Solar One India Private Limited) is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Choti Patlasi Village, Sitamau Tehsil and Mandsaur District of Madhya Pradesh State.

The DC capacity of the project is 22.10 MW and AC capacity is 20.00 MW Power Purchase Agreement (PPA) has been signed between developer and Solar Energy Corporation of India (SECI), at a fixed rate of ₹ 5.45 / kWh for a period of 25 Years.

My team and/or I have conducted the physical site visit of TL Patlasi on 1st December 2023 .Following are the pictures of the TL Patlasi:

31. Terralight Solar Energy Nangla Private Limited ("TL Nangla")

Summary of project details of TL Nangla are as follows:

Parameters	Details
Installed Capacity (DC)	4.2 MW
Plant Location	Nangla, Talwandi Saboo, Bhatinda, Punjab
Actual COD	24-Mar-15
Land Area	18.75 Acres
O&M Contractor	Mitarsh Energy Private Limited
PPA Counterparty	Punjab State Power Corporation Ltd
PPA Date	31-Dec-13
PPA Term	25 Years
PPA Tariff	INR 8.30 per unit
TRUST's stake	100% economic ownership

TL Nangla (earlier known as Focal Energy Solar India Private Limited) is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Nangla, Talwandi Saboo, Bhatinda, and Punjab. The Company has entered into a PPA for implementation of a 4.2 MW Solar Photovoltaic Power Generation Unit in the state of Punjab, under which it has a commitment to sell electricity for a period of 25 years at the rate of INR 8.30/kWh.

My team and/or I have conducted the physical site visit of TL Nangla on 30th November 2023. Following are the pictures of the TL Nangla:

32. Terralight Solar Energy Gadna Private Limited ("TL Gadna")

Summary of project details of TL Gadna are as follows:

Parameters	Details
Installed Capacity (DC)	5.50 MW
Plant Location	Gadna, Bap, Jodhpur, Rajasthan
Actual COD	26-Mar-13
Land Area	33.05 acres
O&M Contractor	Mitarsh Energy Private Limited
PPA Counterparty	NTPC Vidhyut Vyapar Nigam Limited (NVVN)
PPA Date	27-Jan-12
PPA Term	25 Years
PPA Tariff	INR 8.99 per unit
TRUST's stake	100% economic ownership

TL Gadna (earlier known as Sunborne Energy Rajasthan Solar Private Limited) is engaged in carrying on the business of setting up, generating and selling of renewable power from its ground mounted solar power plants located at Gadna, Bap, Jodhpur, and Rajasthan. The Company has entered into a PPA with NTPC Vidhyut Vyapar Nigam Limited for implementation of a 5.50 MW Solar Photovoltaic Power Generation Unit in the state of Rajasthan, under which it has a commitment to sell electricity for a period of 25 years.

My team and/or I have conducted the physical site visit on 17th November 2023. Following are the pictures of the TL Gadna:

33. Godawari Green Energy Limited ("GGEL")

Summary of project details of GGEL are as follows:

Parameters	Details
Installed Capacity (DC)	50 MW
Plant Location	Naukh, Rajasthan, India
Technology of plant	Parabolic-trough solar concentrating systems
Actual COD	19-Jun-13
Land Area	~609 acres
O&M Contractor	In-house
PPA Counterparty	NTPC Vidhyut Vyapar Nigam Limited
PPA Date	19-Sep-13
PPA Term	25 Years from Actual COD
PPA Tariff	INR 12.20 per unit
TRUST's stake	100% economic ownership

GGEL is engaged in carrying on the business of setting up, generating and selling of renewable power from its thermal solar power plant located at Naukh, Rajasthan, India. The Company has entered into a PPA with NTPC Vidhyut Vyapar Nigam Limited for implementation of a 50 MW Concentrated Solar Power Generation Unit in the state of Rajasthan, under which it has a commitment to sell electricity for a period of 25 years.

The technology of GGEL plant is Parabolic-trough solar concentrating systems. This Concentrating Solar Power (CSP) produces electricity by reflecting sunlight via solar collectors to heat a receiver to high temperatures. This heat is transformed first into mechanical energy, by turbines or Stirling engines, and then to electricity.

APTEL in its Order dated 26th July 2022 directed the CERC to come up with a mechanism to suitably revise the tariff rate upwards in case of GGEL on account of lower actual DNI as compared with project DNI. Based on the above mentioned order, the Investment Manager has requested CERC and NVVN for an incremental tariff increase of INR 4.15/ unit from COD till end of project life. The Investment Manager expects to receive the incremental tariff (with retrospective effect) from FY 25 onwards. The transaction documents of GGEL with the erstwhile sellers states that in case there is an increase in tariff, then upon the actual receipt of the related cash flows, 75% of the amount related to the incremental tariff increase (net of tax) shall be paid to the erstwhile sellers. The transaction documents further states that GGEL is also liable to pay 75% of the net present value of future cash flows (net of tax) considering a discount rate of 12% related to the incremental tariff increase.

A separate fair valuation for the same has been incorporated in the Enterprise Value of GGEL in the appendix 2.31.

My team had conducted physical site visit of GGEL on 18th November 2023. Following are the pictures of the GGEL:

Section 4:
Economy and Industry Overview

Industry Overview

Indian Economic Outlook:

- India's economic growth was 7.2% in FY 2022-23. India emerged as the second fastest-growing G20 economy in FY 2022-23. India overtook UK to become the fifth largest global economy. India surpassed China to become the world's most populous nation.

- Planned thermal capacity additions have slowed down significantly and the Government of India (GoI) has set massive renewable power capacity targets. (450GW by 2030 – ambitious but signifies the policy marker's intentions)

- Power is one of the key sectors attracting FDI inflows into India as 100 per cent FDI is allowed in this sector.

- In the Union Budget 2022-23, Rs. 19,500 Crore (US$ 2.57 billion) has been allocated for PLI scheme to boost the manufacturing of high-efficiency solar modules, while Rs. 5,500 Crore (US$ 786.95 million) has been allocated towards Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY).

- The Union Budget for 2023-24 has provided for a budgetary allocation of Rs 7,327 crore for the solar power sector including grid, off-grid, and PM-KUSUM projects. This is a 48 per cent increase over the previous Rs 4,979 crore provided in the Revised Estimates in the document.

- As per Economic Survey 2018-19, additional investments in renewable plants up to year 2022 would be about US$ 80 billion and an investment of around US$ 250 billion for the period 2023-2030.

- Reduced macroeconomic vulnerability, coupled with improved government spending in infrastructure sectors, has enhanced India's Global Competitive Index (GCI) ranking to 43 in 2019- 20 from 68 in 2018-19.

Indian Power Sector Outlook:

- In the fiscal year 2022-23, India witnessed a 9.5 percent year-on-year increase in power consumption, reaching a total of 1,503.65 billion units. Comparatively, the power consumption in the previous fiscal year, 2021-22, stood at 1,374.02 billion units (BU).

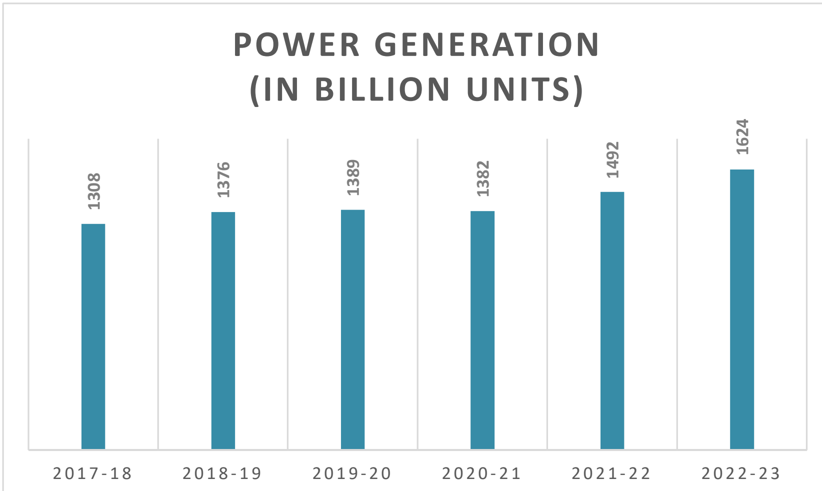
- India has one of the world's most diverse power sectors, which is both extensive and intricate. The country utilizes a variety of power generation sources, including traditional sources such as coal, lignite, natural gas, oil, hydro, and nuclear power, as well as sustainable non-conventional sources like wind, solar, and even agricultural and domestic waste.

- India has a very dynamic and diversified power sector, characterized by the presence of varied power generation sources including conventional sources as well as renewable energy sources, a synchronously operating national grid comprising interregional, regional and state grids and a distribution sector providing electricity to end consumers. The development of adequate electricity infrastructure is essential for sustained growth of economy as well as for energy security.

- Over the past few decades, India has undergone significant changes in its power sector. Nearly all citizens have access to grid electricity, power deficiencies have decreased, and renewable energy capacity has grown to comprise a quarter of the country's overall capacity.

- **India's Power Generation**

Year	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Power generation (in billion units)	1308	1376	1389	1382	1492	1624



- Electricity is an essential requirement for all facets of our life. It has been recognized as a basic human need. It is a critical infrastructure on which the socio-economic development of the country depends. Power Sector is a strategic and critical sector and power supply system supports the entire economy and day to day life of the citizens of India. Whilst India is the third largest producer of electricity in the world, in 2014, the share of electricity in India's final energy demand was only 17% compared with 23% in the member countries of Organization for Economic Cooperation and Development (OECD) and ranks well below the global average in electricity consumption. The Draft NEP envisages the share of electricity in India's total energy consumption to rise to about 26% in 2040.

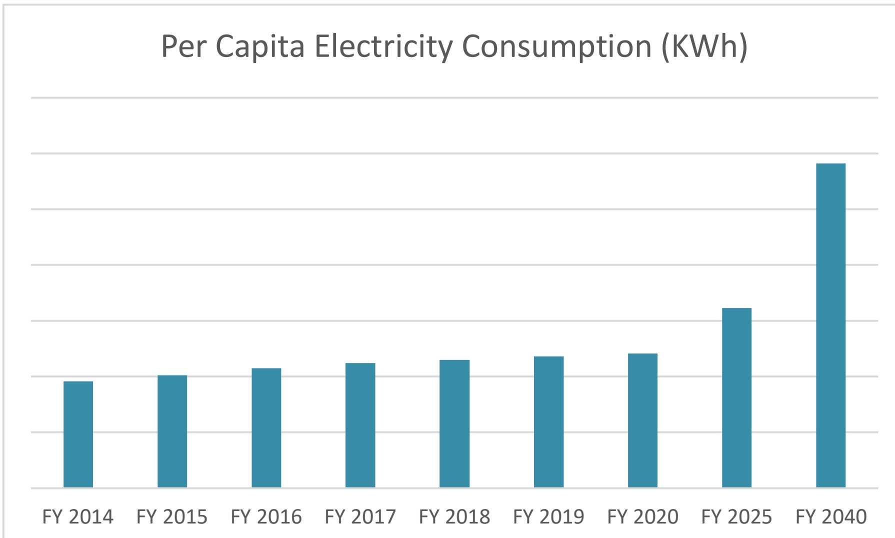
- The three segments of power supply delivery chain are generation, transmission and distribution. Generation is distributed across Central (comprising approximately **25%** of the total installed capacity of power stations based on the type of ownership), State (comprising approximately **28%** of the total installed capacity of power stations based on the type of ownership) and private sector (comprising approximately **47%** of the total installed capacity of power stations based on the type of ownership) entities.

- The transmission sector is divided into inter-state and intra-state transmission projects, in addition to some dedicated transmission projects, and is owned by across Central, State and private sector entities. In addition, transmission network also includes cross-border interconnections with neighboring countries viz, Bangladesh, Bhutan, Nepal and Myanmar to facilitate optimal utilization of resources. The distribution sector is largely owned by States with participation from private sector in some areas. The overall grid management is carried out by different agencies including POSOCO (through NLDC at the Central level and RLDCs at the regional level) and states through their SLDCs in a coordinated manner. The CERC is the regulator at the Central level while SERCs and Joint Electricity Regulatory Commissions regulate the sector at the States and Union Territories level.

- The shortages in energy and peak power have been reduced primarily due to addition in generation capacity, expansion of transmission systems and accomplishment of **'One Nation - One Grid - One Frequency'** which has led to the creation of a vibrant electricity power market in India.

- For the distribution sector Government of India has undertaken a number of policy and reform based initiatives like Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA), Affordable 24x7 Power for All, Integrated Power Development Scheme (IPDS), Ujwal DISCOM Assurance Yojana Scheme (UDAY), Unnat Jyoti by Affordable LEDs for All (UJALA) and the recently introduced initiatives as part of Aatmanirbhar Bharat Abhiyan.

- The per capita electricity consumption in India has increased by about 20% from 1,010 kWh in FY 2015 to 1,208 kWh in FY 2020.



Transmission Sector

- In India, the transmission system is a two-tier structure comprising intra-state grids and inter-state transmission system (ISTS) grids, in addition to a few dedicated transmission lines.

- The Indian power system is divided into five regions namely the northern, eastern, western, southern and north-eastern regions. Regional or inter-state grids facilitate the transfer of power across the states within and outside the region. Presently, all the five regional grids viz. northern, eastern, western, southern and north-eastern regions are operating in one synchronous mode.

- The Indian power transmission system has come a long way from the time of independence, when transmission power systems in India were isolated systems developed in and around urban and industrial areas and the State electricity boards (SEBs) were responsible for development of generation, transmission, distribution and utilization of electricity in their respective states.

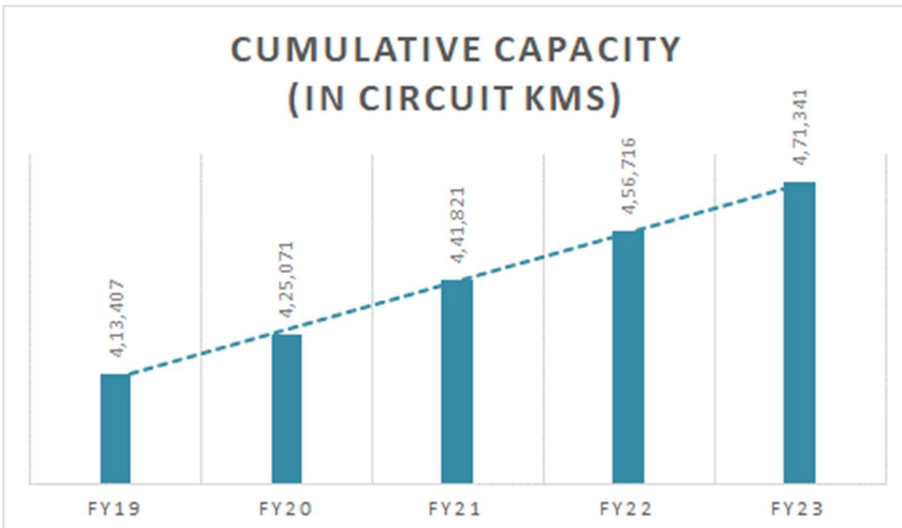
- India has added 14,625 circuit kilometers and 75,902 MVA of new transformation capacity in the fiscal year 2022-23.

- India has set ambitious targets to reduce the carbon intensity of its economy by over 45% by the end of this decade, achieve 50% of its cumulative electric power from renewables by 2030, and achieve net-zero carbon emissions by 2070. To achieve these goals, India's national transmission grid needs to be significantly upgraded to support the widespread adoption of renewable energy. India has abundant renewable energy resources that are unevenly distributed across the country. To meet the demand from states with limited renewable energy resources, a broadening of the national transmission network was necessary, and this has been validated in practice. However, to ensure a balance between the intermittent nature of renewable energy and consistent power supply, robust interstate grid connectivity and effective electricity storage are also required.

- The transmission sector in India is becoming more competitive, which is expected to lead to increased renewable energy generation without these assets becoming scattered. The growing involvement of new transmission players is helping to reduce construction costs, introduce updated technologies, and encourage the timely completion of projects. This has also increased the country's access to global debt and equity.

- The private sector is playing a critical role by investing significant capital at a low cost in the creation of transmission networks, taking advantage of record-low global interest rates, reduced risk, and extended infrastructure yields. This approach will also free up finite resources of state governments that can now be allocated to strengthening other social sectors such as health or education.

India's transmission line capacity addition



Solar Sector

- India's renewable energy sector represents a vital missing link that could transform the country's destiny. These are some of the natural advantages that India enjoys that could be conclusively leveraged by the emergence of renewable energy at scale.

- India enjoys the highest average solar irradiation across countries. India is the seventh largest country by size and more than a sixth of humanity.

- India comprises a large complement of agriculturally degraded or barren land. Around **5,000 trillion KWh** solar radiation is incident in India each year, multiple times India's energy requirement.

- Rajasthan enjoys the highest intensity of radiation (6.7 Kwh/ m2/day) and a few districts in Rajasthan possess ~142 GW in solar energy potential. India's Southern and Western states contribute majorly to the country's wind energy potential. There are various locations in Rajasthan, Madhya Pradesh, Andhra Pradesh, Gujarat, Karnataka, Maharashtra and Tamil Nadu that can generate abundant wind energy.

- National Institute of Solar Energy assessed India's solar potential at 748 GW based on only 3% waste land being monetized. India targets to achieve about 50% cumulative electric power installed capacity from non-fossil fuel-based energy resources and reduce the emission intensity of its GDP by 45% from the 2005 level by 2030. India intends to achieve 500 GW in renewable energy by 2030.

- In November 2022, Our Hon'ble Prime Minister, Shri Narendra Modi, announced India's aim of achieving net zero emissions by 2070 at COP27 held in Glasgow. At the heart of India's vision of a safe planet is a one word Mantra – Lifestyle for Environment that Prime Minister Modi set forth in our National Statement at COP26.

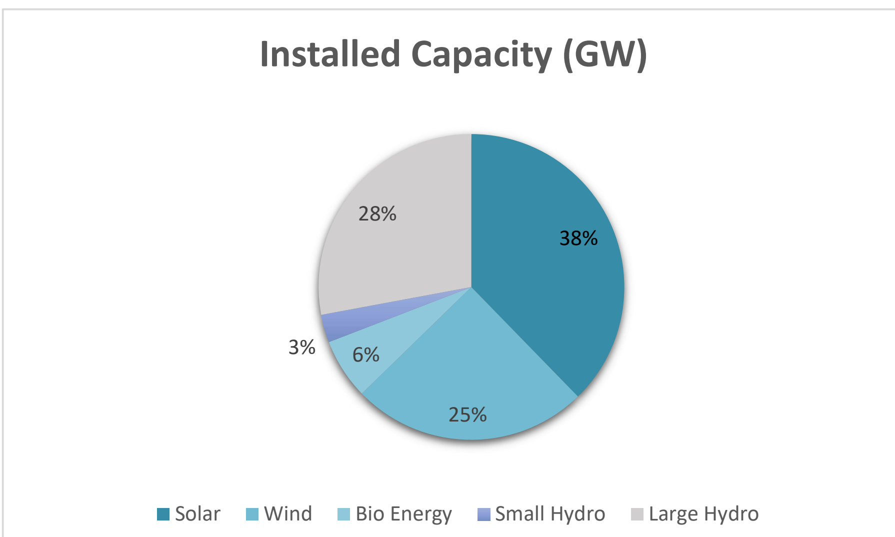
- Earlier at COP26, India presented the following five nectar elements (Panchamrit) of India's climate action:
  - i. Reach 500 GW Non-fossil energy capacity by 2030.
  - ii. 50 percent of its energy requirements from renewable energy by 2030.
  - iii. Reduction of total projected carbon emissions by one billion tonnes from now to 2030.
  - iv. Reduction of the carbon intensity of the economy by 45 percent by 2030, over 2005 levels.
  - v. Achieving the target of net zero emissions by 2070.

- India stands 4th globally in Renewable Energy Installed Capacity, 4th in Wind Power capacity and 4th in Solar Power capacity.

- As per the updated Nationally Determined Contributions (NDC), India now stands committed to achieve about 50 percent cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030.

- Despite fossil fuels currently constituting 59% of the installed energy capacity, their share is expected to significantly decline to 31.6% in the energy mix by 2030 as per some independent estimates. The country is steadfast in its commitment to transitioning towards a greener and more sustainable energy future.

- The installed Renewable energy capacity (including large hydro) has increased from 76.37 GW in March, 2014 to 167.75 GW in December, 2022, i.e. an increase of around 2.20 times. Total Solar Power Capacity in the country has increased from 2.63 GW in March, 2014 to 66 GW in March, 2023, i.e. an increase of around 25 times.

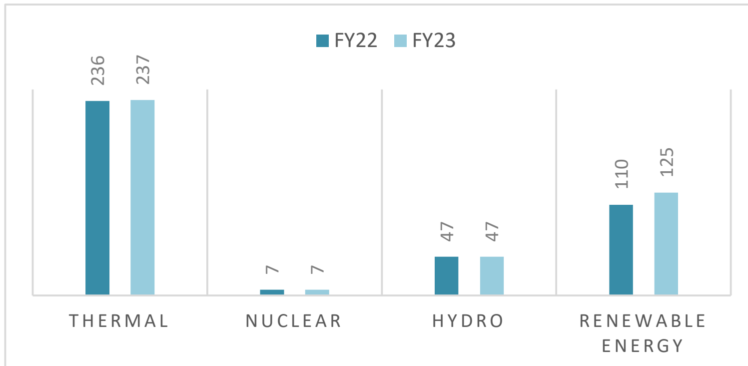


- India is the world's third biggest oil importer and consumer with a market share of 11% of global crude oil imports. Rising competition for fossil fuels has caused volatile and increasing prices of petroleum products. Increased use of alternative energy sources can help India reduce its reliance on expensive imported fossil fuels.

- India's favorable policy regime and robust business environment have attracted foreign capital into renewable energy projects. The government permits 100% foreign direct investment (FDI) via automatic route and is encouraging foreign investors to participate in renewable energy-based power generation projects. As a result, India's renewable energy industry saw FDI inflows worth $ 1.6 billion (H130.7 billion) in FY22.

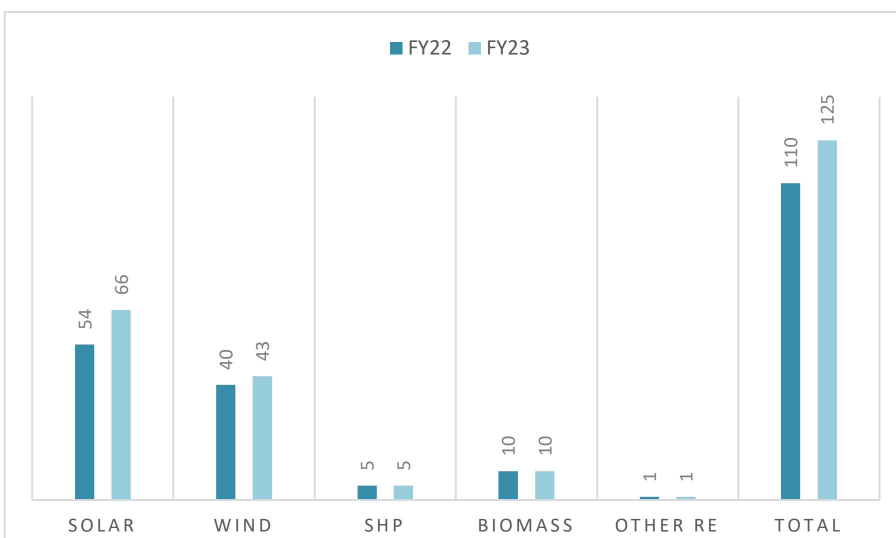
- India's installed generation capacity stands at 416 GW as on March 31, 2023, with capacity addition of close to 17 GW in FY23. The capacity additions in FY23 happened, majorly in the renewables segment, led by solar. Renewables accounted for more than 90% share of the capacity addition in FY23, continuing a similar trend from the previous year. Solar contributed to more than 75% of the total capacity addition in FY23.

Installed Capacity India (GW)



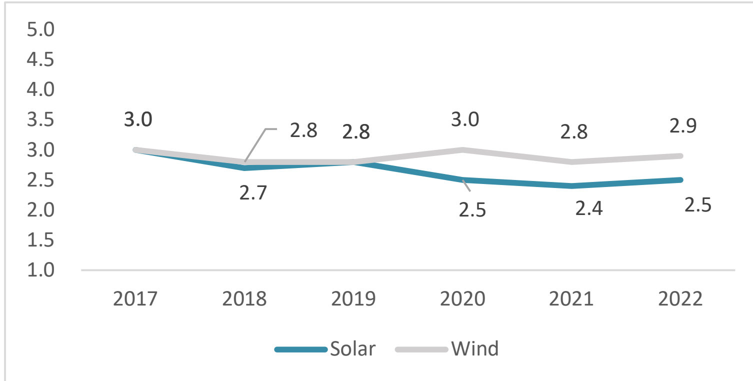
- The focus on renewable energy sector has led to steady growth of India's renewable energy capacity over the years. The total installed renewable energy capacity of the country has been on the rise from 12% in FY12 to 30% in FY23, after having crossed the 100 GW mark for first time in FY22. Solar has been the mainstay of renewables growth in India over the past decade. Its share in total RE installed capacity has risen from 4% in FY12 to more than 50% in FY23 and its share in India's total installed capacity has increased from 0.5% to 16% during the same period.

Installed Renewable Capacity (GW)



- The total auctioned capacity for renewables just crossed 10 GW in 2022, falling by nearly 46% from the record high of 19.1 GW in 2021. Both wind and solar auction tariffs rose in 2022 on account of high capital cost and rising interest rates. The cost of solar projects saw a sharper rise as increasing global prices accompanied by India's import taxes on modules and depreciation of rupee versus US Dollars added to the rising costs.

Annualised Tariff (/kWh) Comparison (Solar vs Wind)



Initiatives undertaken by the Government:

- **DeenDayal Upadhyaya Gram Jyoti Yojana (DDUGJY):** The Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) is a flagship program of the Ministry of Power and a key initiative of the Government of India aimed at providing uninterrupted power supply to rural India, including village electrification. The scheme is designed to benefit rural households by providing access to electricity, which is essential for the growth and development of the country.

- **Ujjwal Discom Assurance Yojna (UDAY):** Launched in November 2015, UDAY is a scheme aimed at improving the operational and financial efficiency of State Power Distribution Companies (DISCOMs) in India. DISCOMs in the country have been struggling to eliminate the gap between the average cost of supply and realized revenue (ACS-ARR gap). Through the Ujjwal Discom Assurance Yojana (UDAY), financial recovery is expected for the DISCOMs.

- **24x7 - Power for All:** The initiative to provide 24x7 power to all households, industries, commercial businesses, public needs, and other electricity consuming entities, as well as adequate power to agricultural farm holdings, is a joint initiative of the Government of India (GoI) and state governments.

- **Revamped Distribution Sector Scheme (RDSS):** The Revamped Distribution Sector Scheme has been approved by the Cabinet Committee on Economic Affairs, with an allocation of Rs.3,03,758 crore and a gross budgetary support of Rs.97,631 crore from the Indian government over a five-year period from FY 2021-22 to FY 2025-26. This reforms-based and results-linked scheme aims to reduce the Aggregate Technical and Commercial (AT&C) losses to levels of 12-15% across India and eliminate the gap between Average Cost of Supply (ACS) and Average Revenue Realized (ARR) by 2024-25.

- **Integrated Power Development Scheme (IPDS):** In December 2014, the Ministry of Power in the Indian government introduced the Integrated Power Development Scheme (IPDS) to strengthen power sub-transmission and distribution networks in urban areas. The scheme aims to reinforce sub-transmission and distribution networks, improve metering of distribution transformers, feeders, and consumers, enable Enterprise Resource Planning (ERP) and IT infrastructure in urban towns, and implement Real-time Data Acquisition System (RT-DAS) projects. As of November 2021, projects worth Rs. 30,904 crores were sanctioned under IPDS, and a grant of Rs.16,478 has been released. Additionally, distribution system reinforcement projects have been completed in 524 circles.

- **Pradhan Mantri Sahaj Bijli Har Ghar Yojana:** The Pradhan Mantri Sahaj Bijli Har Ghar Yojana is a government project in India that aims to provide electricity to all households. It was announced by Prime Minister Narendra Modi in September 2017 with a target of completing the electrification process by December 2018. Eligible households identified via the Socio-economic and Caste Census (SECC) of 2011 will receive free electricity connections, while others will be charged Rs. 500. The project has a total outlay of Rs. 16,320 crores with a Gross Budgetary Support (GBS) of Rs. 12,320 crores. The scheme includes the provision of five LED lights, one AC fan, and one AC power plug to each beneficiary household, along with Repair and Maintenance (R&M) for five years. The government has also launched a website, saubhagya. gov.in, to disseminate information about the scheme.

- In less than a year since implementing the Late Payment Surcharge (LPS) Rules in June 2022, the outstanding dues of electricity distribution utilities (discoms) have significantly decreased. The total outstanding amount has been reduced by approximately one-third, reaching around 93,000 Crore as of May.

- The Indian government has announced a waiver of Inter-State Transmission System (ISTS) charges for solar and wind power projects that are commissioned by 30 June 2025 and for the interstate sale of power generated from these projects.

- The National Electricity Plan (Generation) for 2022-23 outlined the growth and market share of renewable energy sources. Till March, 2023, solar PV capacity was estimated at 66.8 GW (16% market share). By March, 2027, it is projected to increase to 185.6 GW (30% market share) and by March 2032, it is expected to reach 364.6 GW (40% market share). For wind energy, the capacity was 42.6 GW (10% market share) till March, 2023, projected to reach 72.9 GW (12% market share) by March, 2027 and 121.9 GW (14% market share) by March, 2032.

- The National Renewable Purchase Obligation (RPO) trajectory provides a roadmap for India's renewable energy targets. Solar energy is expected to be the primary source of renewable energy until 2030, with a cumulative capacity addition required. Wind energy and other renewable sources are also included in the trajectory. The current RPO compliance varies across states, with Karnataka having the highest compliance at 43.57%, followed by Uttar Pradesh, Bihar and Maharashtra. The average compliance for renewable energy and hydro stands at 19.62%. These targets and compliance figures reflect India's commitment to increasing the share of renewable energy in its overall electricity generation.

(Sources: Institute for Energy Economics & Financial Analysis reported dated Feb,2020, FY 2005-2022: Power Supply Position Reports published by the CEA for March 2023, CEA Executive Summary on Power Sector: March 2023, PGCIL and Adani Transmission Limited Annual Reports, IBEF report on Renewable Energy in India- November, 2022, IPO note on Powergrid by HDFC Securities & Motilal Oswal research report)

Section 5:
Scope of Work and Procedures

Scope of Valuation Work

As per Regulation 21(7) of Chapter V of the SEBI InvIT Regulations:

"Prior to any issue of units by publicly offered InvIT other than bonus issue, the valuer shall undertake full valuation of all the InvIT assets and include the same in the Offer Document: Provided that such valuation report shall not be more than six months old at the time of such offer: Provided further that this shall not apply in cases where full valuation has been undertaken not more than six months prior to such issue and no material changes have occurred thereafter."

In this regard, the Investment Manager and the Trustee intends to undertake the fair enterprise valuation of the SPVs as on 30th September 2023.

In this regard, the Investment Manager and the Trustee have appointed me, Mr. Manish Gadia ("Registered Valuer" or "RV") bearing IBBI registration number IBBI/RV/06/2019/11646 to undertake the fair valuation at the enterprise level of the SPVs as per the SEBI InvIT Regulations as at 30th September 2023.

Enterprise Value ("EV") is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities.

Registered Valuer declares that:

- The RV is competent to undertake the financial valuation in terms of the SEBI InvIT Regulations;
- The RV is independent and has prepared the Valuation Report ("the Report") on a fair and unbiasedbasis.

I have estimated the Enterprise Value of each of the Specified SPVs.

The Valuation Date considered for the Enterprise Valuation of the Specified SPVs is 30th September 2023. Valuation analysis and results are specific to the valuation date. A valuation of this nature involves consideration of various factors including the financial position of the Specified SPVs as at the Valuation Date, trends in the equity stock market and fixed income security market, macro-economic and industry trends, etc.

The Valuation Report ("Report") covers all the disclosures required as per the SEBI InvIT Regulations and the valuation of the SPVs is impartial, true and fair and in compliance with the SEBI InvIT Regulations.

Procedures adopted for Valuation

Financial Asset to be Valued

The RV has been mandated by the Investment Manager to arrive at the Enterprise Value of the SPVs. Enterprise Value is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities.

Valuation Bases

Valuation base means the indication of the type of value being used in an engagement. Different valuationbases may lead to different conclusions of value. Therefore, it is important for the valuer to identify the bases of value pertinent to the engagement. ICAI VS defines the following valuation bases:

1. Fair value;
2. Investment/Participant specific value;
3. Liquidation value.

Fair Value:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date

Investment Value/ Participant Specific Value:

Participant specific value is the estimated value of an asset or liability considering specific advantages or disadvantages of either of the owner or identified acquirer or identified participants.

Liquidation Value:

Liquidation value is the amount that will be realized on sale of an asset or a group of assets when an actual/hypothetical termination of the business is contemplated/assumed.

In the present case, RV has determined the fair value of the SPVs at the enterprise level.

Premise of Value

Premise of Value refers to the conditions and circumstances about how an asset is deployed. In the present case, I have determined the fair enterprise value of the SPVs on a Going Concern Value definedas under:

Going Concern Value:

Going concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of Going Concern Value result from factors such as having a trained work force, an operational plant, the necessary licenses, systems, and procedures in place etc.

Valuation Date

Valuation Date is the specific date at which the value of the assets to be valued gets estimated or measured. Valuation is time specific and can change with the passage of time due to changes in the condition of the asset to be valued. Accordingly, valuation of an asset as at a particular date can be different from other date(s).

The valuation date considered for the fair enterprise valuation of the SPVs is 30th September 2023 ("ValuationDate").

The attached Report is drawn up by reference to accounting and financial information as on 30th September2023. I have considered provisional financial statements for the quarter ended 30th September 2023. The RV is not aware of any other events having occurred since 30th September 2023 till date of this Report which he deems to be significant for his valuation analysis.

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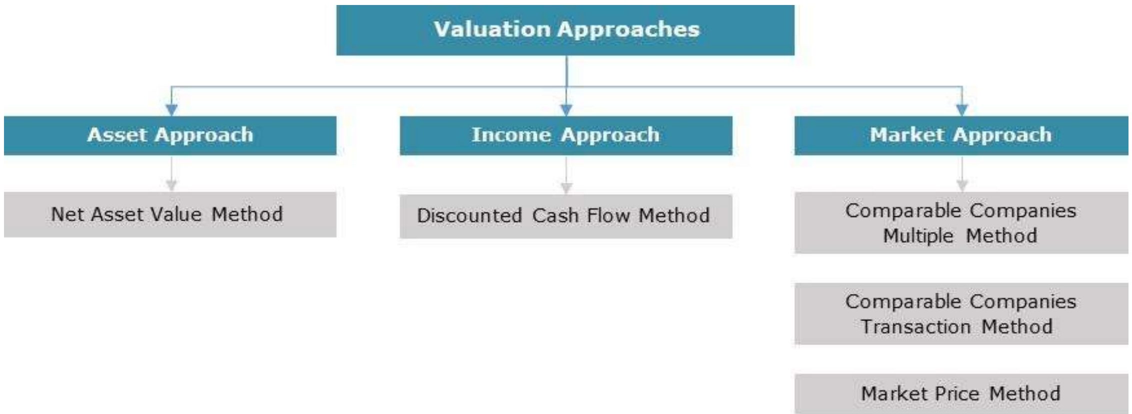
Section 6:

Valuation Approach

Valuation Approach Overview

The three generally accepted approaches used to determine the Fair Value of a business' entity are the asset, income and market approaches. Depending on the facts and circumstances of a particular appraisal, applying the three approaches independently of each other may yield substantially different conclusions.



Asset Approach

The **Asset or Cost Approach** is generally considered to yield the minimum benchmark of value for an operating enterprise. The most common methods within this approach are Net Asset Value and Liquidation Value.

Net Asset Value ("NAV") method:

- The Net Assets Method represents the value of the business with reference to the asset base of the entity and the attached liabilities on the valuation date. The Net Assets Value can be calculated using one of the following approaches, viz.:

  At Book Value

- While valuing the Shares/Business of a Company, the valuer takes into consideration the last audited/ provisional financial statements and works out the net asset value. This method would only give the historical cost of the assets and may not be indicative of the true worth of the assets interms of income generating potential. Also, in case of businesses which are not capital intensive viz. service sector companies or trading companies this method may not be relevant.

  At Intrinsic Value

- At times, when a transaction is in the nature of transfer of asset from one entity to another, or when the intrinsic value of the assets is easily available, the valuer would like to consider the intrinsic value of the underlying assets. The intrinsic value of assets is worked out by considering current market/replacement value of the assets.

Liquidation Value Method:

- This method considers replacement cost as an indicator of value, assuming that prudent investors will pay no more for an asset or group of assets (tangible or intangible) than the amount for which they can replace or recreate such assets. The cost approach to value is often appropriate when current or expected future operating earnings of a subject entity are insufficient to generate a return greater than that which could be generated through the sale of the assets.

Conclusion on Cost Approach

In the present case, the revenue of the SPVs are either pre-determined or could be fairly estimated for the life of the projects. In such scenario, the true worth of the SPV is reflected in its future earning capacity rather than the cost of the project. Since the NAV does not capture the future earning potential of the businesses, I have not considered the Asset approach for the current valuation exercise, except for KLMTL and TL SitamauSS. Considering that the KLMTL project is under-construction, TL SitamauSS is currently utilised for captive consumption and in absence of any specific projections, I have considered NAV method for the purpose of valuation of these SPVs I find it appropriate to consider the NAV method at Book Value.

Income Approach

The **Income Approach** serves to estimate value by considering the income (benefits) generated by the asset over a period of time. This approach is based on the fundamental valuation principle that the value of a business is equal to the present worth of the future benefits of ownership. The term income does not necessarily refer to income in the accounting sense but to future benefits accruing to the owner.

The most common methods under this approach are Discounted Cash Flow Method and Capitalization of Earnings Method. The Discounted Future Earnings method discounts projected future earnings back to present value at a rate that reflects the risk inherent in the projected earnings. Under the Capitalization of Earnings method, normalized historic earnings are capitalized at a rate that reflects the risk inherent in the expected future growth in those earnings.

<u>Discounted Cash Flow (“DCF”) method:</u>

Overview:

- In Discounted Cash Flow (DCF) valuation, the value of an asset is the present value of the expected cash flows on the asset.
- The basic premise in DCF is that every asset has an intrinsic value that can be estimated, based upon its characteristics in terms of cash flows, growth and risk.

Assumptions:

- The DCF model relies upon cash flow assumptions such as revenue growth rates, operating margins,working capital needs and new investments in fixed assets for purposes of estimating future cash flows. After establishing the current value, the DCF model can be used to measure the value creation impact of various assumption changes, and the sensitivity tested.

Importance of DCF:

- Business valuation is normally done to evaluate the future earning potential of a business, and involves the study of many aspects of a business, including anticipated revenues and expenses.
- As the cash flows extend over time in future, the DCF model can be a helpful tool, as the DCF analysis for a business valuation requires the valuer to consider two important components of:
    a) Projection of revenues and expenses of the foreseeable future, and,
    b) Determination of the discount rate to be used.
    c) Projecting the expected revenues and expenses of a business requires domain expertise in the business being valued.
- Selecting the discount rate requires consideration of two components:
    a) The cost of capital, and
    b) The risk premium associated with the stream of projected net revenues.
    c) The cost of capital is the cost of funds collected for financing a project or purchasing an asset. Capital is a productive asset that commands a rate of return. When a business purchase is financed by debt, the cost of capital simply equals the interest cost of the debt. When it is financed by the owner’s equity, the relevant cost of capital

would be the "opportunity cost" of the capital, i.e., the net income that the same capital would generateif committed to another attractive alternative.

- The choice of discount rate must consider not only the owner's cost of capital, but also the risk of the business investment.

Application of DCF Valuation:

- DCF valuation approach is the easiest to use for assets or firms with the following characteristics:
  a) cash flows are currently positive,
  b) the cash flows can be estimated with some reliability for future periods, and
  c) where a proxy for risk that can be used to obtain discount rates is available.

Capitalization of Earnings Method:

The capitalized earnings method consists of calculating the value of a company by discounting future profits with a capitalization rate adjusted to the determining date for the valuation.

- In the context of the capitalized earnings method, a company is considered as an investment. Attention is therefore focused solely on the future profits that the company will make, on the associated risks or on earnings projections. Operating assets are seen only as a way of making profits and no specific value is allocated to these.

- Capitalized earnings= (Long-term operating profit * 100) / Capitalization rate

Calculation of the capitalization rate, particularly in the area of risks specific to the company, requires a subjective valuation of several factors.

Conclusion on Income Approach

Discounted Cash Flow ("DCF"):

- The revenues of the Transmission Assets are defined for 35 years under the TSA except for ENICL which is defined for 25 years under the TSA. Whereas for the Solar Assets, tariff rates are defined for 25 years under the PPA. In such scenario, the true worth of its business would be reflected in its future earnings potential and therefore, DCF method under the income approach has been considered as an appropriate method for the present valuation exercise, except for KLMTL and TL SitamauSS.

- For Transmission Assets, the terminal value is calculated based on the business' potential for further growth beyond the explicit forecast period. The "constant growth model" is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period.

- For Solar Assets, the terminal year value has been considered based on the salvage value of the plant & machinery, sale of freehold land and realization of working capital at the end of their respective PPA term of 25 years.

Capitalization of Earnings Method:

- In the present case, the revenue of the SPVs are either pre-determined or could be fairly estimatedfor the life of the projects. Since the future earning can easily be estimated, I find it appropriate to not consider Capitalization of Earnings Method for the current valuation exercise.

Market Approach

In this **Market Approach**, value is determined by comparing the subject, company with its peers in thesame industry of the similar size and region.

Comparable Companies Multiples ("CCM") method:

- CCM method uses the valuation ratio of a publically traded company and applies that ratio to the company being valued.

- The valuation ratio typically expresses the valuation as a function of a measure of financial performance or book value.
- Typically, the multiples are a ratio of some valuation metric (such as equity Market Capitalization or Enterprise Value) to some financial performance metric (such as Earnings/Earnings per Share (EPS), Sales, or EBITDA).
- The basic idea is that companies with similar characteristics should trade at similar multiples, all other things being equal.

Comparable Transactions Multiples ("CTM") method:

- CTM Method looks at recent historical M&A activity involving similar companies to get a range of valuation multiples.
- The main approach of the method is to look at similar or comparable transactions where the acquisition target has a similar client base to the company being evaluated.
- Precedent Transaction valuation can revolve around either the Enterprise Value of the company or the Market Value of the company, depending on the multiples being used.

Market Price method:

- The market price method evaluates the value on the basis of prices quoted on the stock exchange.

Average of quoted price is considered as indicative of the value perception of the company by investors operating under free market conditions.

Conclusion on Market Approach

CCM Method:

- In the absence of any exactly comparable listed companies with characteristics and parameterssimilar to that of the SPVs, I have not considered CCM method in the present case.

CTM Method:

- In the absence of adequate details about the Comparable Transactions, I was unable to apply the CTM method.

Market Price Method:

- Currently, the equity shares of SPVs are not listed on any recognized stock exchange of India. Hence, I was unable to apply market price method.

Conclusion of the Valuation Approach

Valuation Methodology	Used	Remarks
Market Approach		
Market Price method	No	Currently, the equity shares of SPVs are not listed on any recognized stock exchange of India. Hence, I was unable to apply market price method.
Comparable Companies multiples method	No	In the absence of any exactly comparable listed companies with characteristics and parameters similar to that of the SPVs, I have not considered CCM method in the present case.
Comparable Transactions multiples method	No	In the absence of adequate details about the Comparable Transactions, I was unable to apply the CTM method.
Income Approach		
Discounted Cash Flows method	Yes	The revenues of the Transmission Assets are defined for 35 years under the TSA except for ENICL which is defined for 25 years under the TSA. Whereas for the Solar Assets, tariff rates are defined for 25 years under the PPA. In such scenario, the true worth of its business would be reflected in its future earnings potential and therefore, DCF method under the income approach has been considered as an appropriate method for the present valuation exercise, except for KLMTL and TL SitamauSS. For Transmission Assets, the terminal value is calculated based on the business' potential for further growth beyond the explicit forecast period. The "constant growth model" is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period. For Solar Assets, the terminal year value has been considered based on the salvage value of the plant & machinery, sale of freehold land and realisation of working capital at the end of their respective PPA term of 25 years.
Capitalization of Earnings Method	No	In the present case, the revenue of the SPVs are either pre-determined or could be fairly estimated for the life of the projects. Since the future earning can easily be estimated, I find it appropriate to not consider Capitalization of Earnings Method for the current valuation exercise.
Cost approach		
Net Assets Value method	Yes	In the present case, the revenue of the SPVs are either pre-determined or could be fairly estimated for the life of the projects. In such scenario, the true worth of the SPV is reflected in its future earning capacity rather than the cost of the project. Since the NAV does not capture the future earning potential of the businesses, I have not considered the Asset approach for the current valuation exercise, except for KLMTL & TL SitamauSS. Considering that the KLMTL project is under-construction, TL SitamauSS is currently utilised for captive consumption and in absence of any specific projections, I find it appropriate to consider the NAV method at Book Value.

Section 7:

Valuation Assumptions

Note on Financial Projections | Transmission Assets

The key assumptions for transmission revenue, incentives and penalty of the SPVs provided by the Investment Manager are as follows:

Inputs	Details
Transmission Revenue for JKTPL	JKTPL functions as intra-state transmission asset. As per the TSA, revenues of JKTPL are contingent upon tariffs determined. The tariffs, which comprise a base unitary charge, are collected to recover costs. The unitary charges represent the monthly fee for transmission services as outlined in the TSA, and they are appropriately escalated using the Wholesale Price Index series 2011-12 (restated with 2004-05 series) to establish the indexed UC rationale. Detailed information on this is presented in the respective TSA read with TAO and documents provided by the Investment Manager.
Transmission Revenue for PrKTCL	The transmission revenue of PrKTCL which is operating on BOO model is calculated on cost plus basis as per the extant provisions of the CERC Tariff Regulations, 2019.
Incremental Revenue	In the present case, as represented me by the Investment Manager following SPVs have filed for incremental revenue (increase in tariff amount): **MTL and BDTCL:** In MTL and BDTCL, the Incremental Revenue is accounted for due to changes in law and/or force majeure, mainly as a result of the Goods and Services Tax (GST) introduction in FY 2017. As per the CERC order dated 11th March 2019 and 20th October 2020, the additional expenses incurred as a result of such changes in law have to be reimbursed. **OGPTL, NRSS, PKTCL, GPTL NERTL and KTL:** As per the Investment Manager, the claim for incremental revenue from these SPVs is a result of the additional tax burden due to the introduction of the Goods and Services Tax (GST) compensation cess. No specific CERC order is required for this, as per the CERC order dated 17th December 2018. **ENICL:** Compensation was granted by CERC through an order dated 24th August 2016 for damages to the Purnea Biharsharif Line caused by obstruction at Mahenderpur village and floods in Bihar. This resulted in an increase in both Non-Escalable and Escalable Revenue at a rate of approximately 6.18%. Similarly, damages to the Bongaigaon Siliguri Line caused by delays in obtaining forest clearance, riots in Kokrajhar, and a bandh in Assam led to compensation being granted by CERC through an order dated 13th September 2017. This compensation resulted in an increase in Non-Escalable revenue by approximately 3.73%. Furthermore, due to notable changes in law during the construction period, through an order dated 19th September 2018, ENICL was granted an increase in Non-Escalable Transmission charges by CERC at a rate of approximately 1.09%. Accordingly, I have received the calculation of such incremental revenue from the Investment Manager.
Non-Escalable Transmission Revenue for Transmission Assets (except JKTPL and PrKTCL)	Throughout the lifespan of the SPV project, the fixed portion of Non-Escalable Revenue, is predetermined in the TSA agreement in conjunction with TAO. I have corroborated the revenue included in the financial forecasts by comparing it with the relevant TSA agreement and documents supplied by the Investment Manager.
Inputs	**Details**

Escalable Transmission Revenue	Escalable Transmission Revenue is the revenue component where the revenue is duly escalated based on the rationale as provided in the respective TSA read with TAO and documents provided to me by the Investment Manager. The escalation is to mainly compensate for the inflation factor which is represented to us by the investment manager.
Incentives	As stated in the TSA, if the annual availability exceeds 98% according to the respective TSA, the SPVs are eligible to receive an annual incentive. However, no incentives will be paid if the availability exceeds 99.75%. For JKTPL, if the availability exceeds the Normative Availability of 98%, the incentive is granted based on a pro rata basis in the same proportion as UC (Unknown Component) relates to the Normative Availability. Nevertheless, no incentives will be given if the availability goes beyond 100%. Regarding PrKTCL, if the actual availability surpasses the Normative Availability of 98.5%, PrKTCL receives an incentive. The incentive is calculated on a pro rata basis, using the same proportion as the Transmission Revenue bears to the Normative Availability.
Penalty	The SPVs will be held accountable for an annual penalty according to the TSA, if the annual availability in a given contract year decline below 95%. However, for the present valuation exercise, it is presumed that the annual availability will remain above 95%. For JKTPL, if the availability in any month is lower than 98%, the UC for that particular month will be proportionately decreased. As a form of penalty, this reduction will be multiplied by a penalty factor of 1.5.
Expenses	Expenses are estimated by the Investment Manager for the projected period based on the inflation rate as determined for the SPVs. I have relied on the projections provided by the Investment Manager.
Depreciation	To determine the depreciation in accordance with the Income Tax Act for the projected period, I have taken into account the depreciation rate specified in the Income Tax Act and the opening Written Down Value (WDV) provided by the Investment Manager. The calculation of book depreciation for PrKTCL was carried out utilizing the rates and methods outlined in the CERC Tariff regulations of 2019.
Insurance Expenses	I understand from the Investment Manager that the insurance expenses of the SPVs are not reasonably expected to inflate/increase for the projected period. I have relied on the projections provided by the Investment Manager pertaining to insurance expenses for the projected period.
Operations & Maintenance	O&M expenditure is estimated by the Investment Manager for the projected period based on the inflation rate as determined for the SPVs. I have relied on the projections provided by Investment Manager on the O&M expenses for the projected period.
Tax and Tax Incentive	As discussed with the Investment Manager, the projected period of the SPVs (excluding PrKTCL) for the current valuation exercise has taken into account the new provision of the Income Tax Act as per the Taxation Laws (Amendment) Ordinance 2019. Consequently, the base corporate tax rate of 22% (along with the applicable surcharge and cess) has also been considered. The Investment Manager has informed me that PrKTCL will adhere to the previous tax regime, which includes Minimum Alternate Tax (MAT) and benefits under section 80-IA.
Inputs	**Details**

Capex	As represented by the Investment Manager, the Operations & Maintenance expenditure for the projected period already includes the consideration of maintenance capital expenditure. However, in terms of expansion capital expenditure, it is anticipated that the SPVs, will not incur any Capex during the projected period with the exception of BDTCL and PTCL.
Working Capital	**Debtors-** I have obtained the working capital assumptions from the Investment Manager and have corroborated the debtor assumptions of 90 days with the past receivable collection days and other data points to extent appropriate. **Other Items-** Working capital requirement of the SPVs for the projected period has been represented by the Investment Manager. The operating working capital assumptions for the projections as provided by the Investment Manager comprises of security deposits, prepaid expenses, trade payables and capital creditors.
True up petition for PrKTCL	I understand that PrKTCL has filed petition with CERC on 30th September 2021 for Approval of Truing up of Transmission Tariff for 2014-19 Tariff Block and Determination of Transmission Tariff for 2019-24 Tariff Block for transmission line elements. CERC approval for the said petition is being awaited. The Investment Manager has informed me that the projections for PrKTCL are based on the above mentioned petition. Thus, as per the CERC Tariff Regulations, 2019, revenue components, interest during construction, incidental expenses during construction, spares, interest amount and additional capital expenditure are expected to be trued up as per the final true up order of CERC. This truing up may have a bearing on the transmission revenue of PrKTCL for the projected period.

Note on Financial Projections | Solar Assets

The key assumptions for sale of power revenue and Net Inflow from SECI (VGF & GST Claim) of the Solar Assets are as follows:

Inputs	Details
Revenue	**Electricity unit sales:** The amount of electricity generated correlates with the revenues generated by the SPVs. The total kilowatt hour units expected to be generated annually during the PPA tenure are estimated using budgeted PLF. The total estimated revenue over the PPA term is determined by applying contractual tariff rates to this annual estimate. The Investment Manager has estimated the projected PLFs of the SPVs on the basis of the Technical Appraisal Report of the SPVs. I have relied on the Technical Appraisal Report provided by the Investment Manager and the historical performance of the SPVs in order to corroborate the projected electricity units provided in the financial information by the Investment Manager. **Sale of units for Certified Emission Reductions (CERs):** The SPVs are engaged in the sale of CER units to carbon credit traders, with plans to sell to end users. The Investment Manager has confirmed that some SPVs have obtained the necessary CER registrations/certifications. Based on the projected units generated by each Solar Asset, the Investment Manager has estimated the sale of CER units, with the selling price being determined from past and existing contracts that have been suitably adjusted. The expected revenue from this activity has been calculated for all the SPVs over the projected period and I have relied on the Investment Manager's projections for the expected CER income. **Deviation Settlement Charges:** According to the Investment Manager, the actual Deviation Settlement Charges incurred by TNSEPL, UMD, TKSPL, TRSPL, and Solar Edge in FY24 will be reimbursed by previous shareholders, along with a one-time payment of six times the actual DSM charges incurred during FY24. **Income generated from Plant Load Factor (PLF) exceeding 19% for TKSPL, TNSEPL, and UMD.** As on 28th November 2022, APTEL favoured the appeal raised by TKSPL, TNSEPL and UMD and directed that in case the said SPVs purchases the excess generation, the same shall be done at 75% of the PPA Tariff. As per the Supreme Court in its Order dated 3rd March 2023 upheld the above mentioned APTEL's Order. Considering the above judgement, the Investment Manager has estimated revenue from sale of electricity units above 19% CUF since COD, after adjusting for the lump sum settlement with the erstwhile sellers as per their contractual arrangement. **GST Annuity** As informed by the Investment Manager, Solar Edge shall receive monthly GST Annuity for an increase in capital expenditure due to the introduction of GST, claimed as Change in Law in terms of the PPA(s) by Solar Edge. The CERC order, entitling Solar Edge to receive monthly annuity payments until Mar'31, is relied upon for this revenue. **Tarrif Upside** APTEL in its Order dated 26th July 2022 directed the CERC to come up with a mechanism to suitably revise the tariff rate upwards in case of GGEL on account of lower actual DNI as compared with project DNI. Based on the above mentioned order, the Investment Manager has requested CERC and NVVN for an incremental tariff increase of INR 4.15/ unit from COD till end of project life. The Investment Manager expects to receive the incremental tariff (with retrospective effect) from FY 25 onwards. The transaction documents of GGEL with the erstwhile sellers states that in case there is an increase in tariff, then upon the actual receipt of the related cash flows, 75% of the amount related to the incremental tariff increase (net of tax) shall be paid to the erstwhile sellers. The

	transaction documents further states that GGEL is also liable to pay 75% of the net present value of future cash flows (net of tax) considering a discount rate of 12% related to the incremental tariff increase. A separate fair valuation for the same has been incorporated in the Enterprise Value of GGEL in the appendix 2.31
Expenses	Expenses are estimated by the Investment Manager for the projected period based on the inflation rate as determined for the SPVs. I have relied on the projections provided by the Investment Manager.
Operations & Maintenance ("O&M")	O&M expenditure is estimated by the Investment Manager for the projected period based on the inflation rate as determined for the SPVs based on industry trends. I have relied on the projections provided by Investment Manager on the O&M expenses for the projected period.
Capital Expenditure	Maintenance Capex is factored into the O&M expenditure for the period. No expansion Capex is anticipated for SPVs in the projected period, except for USUPL. Capex for inverters is considered for all SPVs where necessary, as per the Investment Manager's representation.
Tax and Tax Incentive	As per the discussions with the Investment Manager, the new provisions of Income Tax Act as per Taxation Laws (Amendment) Ordinance 2019 has been considered for the projected period of the SPVs after utilization/ lapse of 80IA (except in case of GGEL, 80IA benefit is not available) and MAT credit benefits. As per the discussions with the Investment Manager, the new provision of Income Tax Act has been considered for the entire projected period of TL Raj for the current valuation exercise, which inter alia does not provide benefits of additional depreciation and section 80-IA and Sec 115JB and accordingly, the base corporate tax rate of 22% (with applicable surcharge and cess) haven been considered for TL Raj.
Working Capital	The Investment Manager represents the working capital requirement of the SPVs for the projected period. Operating working capital assumptions for projections include other current liabilities, prepaid expenses, trade receivables related to operating revenue, and other current assets, as provided by the Investment Manager.
Net Inflow from SECI - Viability Gap Funding ("VGF")	The Government of India, through SECI, extends Viability Gap Funding ("VGF") to various companies to bolster economically justified infrastructure projects that lack full financial viability. Benefits under the VGF are contingent upon specific conditions set by the Government, such as the achievement of certain security standards and a minimum Capacity Utilization Factor ("CUF") during the fiscal year. On October 4, 2016, the ISPL 1 & ISPL 2 and SECI entered into a Viability Gap Funding (VGF) Securitization agreement, aligning with the guidelines issued by the Ministry of New and Renewable Energy (MNRE) on August 4, 2015, aimed at providing financial support to solar power developers. As per this agreement, SECI has committed to providing VGF, up to a maximum of INR 445 Mn, upon the successful commissioning of the projects, subject to meeting specified generation requirements outlined in the VGF Securitization Agreements. The release of VGF is structured in tranches, with the first tranche constituting 50% of the amount. The remaining 50% is set to be released in equal installments over the subsequent 5 years, contingent upon meeting generation requirements and the absence of any default events. It is noteworthy that SECI, through a letter dated April 15, 2019, acknowledged the inability to create security on the project land due to the AP land issue, causing a delay in VGF disbursement. The Investment Manager has communicated that Solar SPVs have received tranches 1 to 3 of VGF, and the remaining tranches are anticipated to be received in FY26 and FY27, respectively. In the valuation, due consideration has been given to cash inflows associated with expected receipts related to the VGF, taking into account the outlined disbursement structure and the communicated delay in VGF disbursement caused by the AP land

	issue.
GST	Under the previous value-added tax ("VAT") regime, major items like modules and inverters were subject to a Nil VAT rate. Various other items, including mounting structures, transmission lines, cable, electrical materials, connectors, and Balance of System ("BOS"), were subject to a 2% VAT rate. However, in the current Goods and Services Tax ("GST") regime, the GST rate on these items has been increased to 5%. The Solar SPVs have submitted change-in-law petitions to the relevant electricity regulatory commissions, and favorable orders approving these change-in-law petitions have been received from the relevant authorities. These changes have been considered in my calculations. Additionally, I have been informed by the Investment Manager that a tax dispute is ongoing between the EPC contractor and the GST authorities regarding the amount of GST to be charged on the EPC contract. However, as per representations by the Investment Manager, the ISPL 1 & ISPL 2 have limited their additional liability arising from any such tax dispute to INR 212.7 Mn, as specified in contractual agreements with the EPC contractor. This limitation has been factored into my calculations.
Terminal Value	Terminal value represents the present value at the end of explicit forecast period of all subsequent cash flows till the end of the life of the asset or into perpetuity if the asset has an indefinite life. The existing project model of the SPVs is on BOO basis for 25 years from COD. Since the cash flows beyond 25 years are relatively uncertain on account of factors like degradation of panels, technology factor, tariff rate, extension of land lease, etc., the terminal year value has been considered based on the salvage value of the plant & machinery, sale of freehold land and realization of working capital at the end of their respective PPA term of 25 years.

Note on Discount Rate/ Discount Factor

The application of the income approach requires the determination of an appropriate discount rate at which future cash flows are discounted to their present value as of valuation date.

To derive the discount rate, the weighted average cost of capital (WACC), which refers to the total capital invested (equity and debt), is used and adjusted for risk premiums or discount specific risk compared to the risk of the overall enterprise. To determine the appropriate WACC it is adequate to consider cost of equity and cost of debt separately (Refer Appendix 1).

I have computed the WACC using the methodology as set out below:

Particulars	Definition/ Formula
WACC	Ke * (E/(D + E)) + Kd * (1-T) * (D/(D + E))
Where:	
Ke	Cost of Equity
E	Market Value of Equity
Kd	Cost of Debt
D	Market Value of Debt
T	Effective Tax Rate

Calculation of Cost of Equity:

The cost of equity is derived using the Capital Asset Pricing Model ("CAPM") as follows:

Particulars	Definition/ Formula
Ke	Rf + β x (ERP) + Ksp
Where:	
Rf	Risk Free Rate
ERP	Equity Risk Premium
β	The beta factor, being the measure of the systematic risk of a particular asset relative to the risk of a portfolio of all risky asset
Ksp	Company Specific Risk Premium

To determine cost of equity, its components have to be analyzed.

1. **Risk Free Rate**

   Risk Free Rate has been considered on zero coupon yield as at 30th June 2023 of Government Securities having maturity period of 10 years, as quoted on CCIL's website.

2. **Equity Risk Premium**

   Based on the historical realised returns on equity investments over a risk- free rate (as represented by 10 year G-sec bonds), a 7% equity risk premium is considered appropriate for India

3. **Beta**

   Based on my analysis of the listed InvITs and other companies in power and infrastructure sectors, I have selected the following companies for the calculation of beta:
   For the valuation of the Transmission Assets, I find it appropriate to consider the beta of Power Grid Corporation of India Limited ("PGCIL")
   For the valuation of the Solar Assets, I find it appropriate to consider the beta of NTPC Limited, NLC India Limited, Tata Power Co Limited and NHPC Limited for an appropriate period

4. **Company Specific Risk Premium**

   Considering the length of the explicit period, the basis of deriving the underlying cash flows and basis my discussion with Investment Manager, I found it appropriate to consider 0% CSRP in the present case, except for ENICL (for terminal period) and PrKTCL.
   For ENICL, I have considered CSRP of 3% on account of uncertainty attached to the determination of cash flows for the terminal period.
   For PrKTCL, considering the nature of regulatory risk and its likely impact on the cash flows of the SPV during the projected period due to review of tariff determination norms, approval of true up petition by CERC, I found it appropriate to consider 1% CSRP.
   For RSTCPL, considering the length of the explicit period, the basis of deriving the underlying cash flows, past operational history of the SPV and basis my discussion with Investment Manager, I found it appropriate to consider 1% CSRP in the present case.

Calculation of Cost of Debt:

The cost of debt post tax is derived as follows:

Particulars	Definition/ Formula
Kd	Kd pre tax * (1-T)
Where:	
Kd	Cost of Debt
T	Tax rate as applicable

Pre-tax cost of debt has been considered as 7.56%, on the basis of details and representation provided by the Investment Manager.

Note on Mid Point Factor and Present Value Factor

Discounted cash flow require to forecast cash flows in future and discount them to the present in order to arrive at present value of the asset as on Valuation Date. To discount back the projections we take in use mid-point factor. Mid-Point factor treats forecasted free cash flows (FCFs) as if they were generated at the midpoint of the period.
Since the cash inflows and outflows occur continuously year-round, it could be inaccurate to assume that the cash proceeds are all received at the end of each year. As a compromise, mid-year discounting is integrated into DCF models to assume that FCFs are received in the middle of the annual period.
Discounted cash flow is equal to sum of the cash flow in each period divided by present value factor, where the present value factor is determined by raising one plus discount rate (WACC) raised to the power of the mid point factor.

Particulars	Definition/ Formula
DCF	$[CF1 / (1+r)^{MF1}] + [CF2 / (1+r)^{MF2}] + \ldots + [CFn /(1+r)^{MFN]}$
Where:	
CF	Cash Flow
MFN	Mid-point factor for particular period
r	Discount Rate (i.e. WACC)

Accordingly, the cash flows during each year of the projected period are discounted back from the mid-year to Valuation Date.

Section 8:

Valuation Conclusion

Enterprise Value of all SPVs

I have carried out the Enterprise of the Specified SPVs as of 30th September 2023 considering inter-alia historical performance of the SPVs, Business plan/ Agreements/ Projected financial statements of the SPVs and other information provided by the Investment Manager, industry analysis and other relevant factors.

I have been represented by the Investment Manager that there is no potential devolvement on account ofthe contingent liability as of valuation date; hence no impact of the same has been factored in to arrive at EV of the SPVs.

In performing the valuation analysis, I have adopted the Discounted Cash Flow Method under the Income Approach, except for KLMTL and TL SitamauSS where I have considered NAV approach.

For Transmission Assets:

All the Transmission Assets except ENICL have Concession Period of 35 years and in case of ENICL, the Concession Period is 25 years.

For Solar Assets:

Similarly, the Solar Assets have entered into PPA for a period of 25 years.

Hence, the growth potential of the SPVs and the true worth of its business would be reflected in its future earnings potential and therefore, DCF method under the income approach has been considered as an appropriate method for the Transmission Assets and Solar Assets in the present valuation exercise.

For Under-Construction Transmission Assets:

Considering that the KLMTL project is under-construction, I find it appropriate to consider the NAV method.

For Captive Consumption Transmission Assets:

Considering that the TL SitamauSS is currently utilized for captive consumption and considering the projections for the same are not available, I find it appropriate to consider the NAV method.

Sensitivity Analysis

Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and variations may be material.Accordingly, a quantitative sensitivity analysis is considered on the following unobservable inputs:

1. Weighted Average Cost of Capital (WACC) by increasing / decreasing it by 0.50%
2. Weighted Average Cost of Capital (WACC) by increasing / decreasing it by 1.00%
3. Total Expenses considered during the projected period by increasing / decreasing it by 20%
4. Terminal period value considered for the SPVs increasing / decreasing it by 20%

I understand that there are various other unobservable valuation inputs like regulatory changes, tax changes, capital expenditure etc. which are difficult to estimate and run sensitivity on the same and based on which there can be an impact on fair enterprise valuation.

Based on the above analysis, the EV as on the Valuation Date of the SPVs is as mentioned below:

I. Transmission Asset

Sr No.	SPVs	Projection Period (Balance TSA Period)	CKm	WACC	Fair EV (INR Mn)
1	BDTCL	~ 25 Years 6 Months	943	8.1%	19,266
2	JTCL	~ 25 Years 5 Months	994	8.2%	16,331
3	MTL	~ 29 Years 3 Months	474	7.9%	5,945
4	RTCL	~ 27 Years 5 Months	403	7.7%	4,354
5	PKTCL	~ 27 Years 6 Months	545	7.7%	6,735
6	PTCL	~ 28 Years 2 Months	10	7.8%	2,593
7	NRSS	~ 29 Years 11 Months	830	7.7%	44,257
8	OGPTL	~ 30 Years 6 Months	713	7.9%	14,489
9	ENICL	~ 12 Years 1 Months	896	8.25% to 11.84%	11,509
10	GPTL	~ 31 Years 6 Months	273	7.8%	11,922
11	NERTL	~ 32 Years 6 Months	898	7.8%	53,114
12	RSTCPL	~ 25 Years 3 Months	208	8.4%	2,694
13	KTL	~ 30 Years 10 Months	626	7.9%	16,524
16	KLMTL[1]	~ 35 Years 0 Months	18	NA	2,052
14	JKTPL[2]	~ 22 Years 1 Months[3]	205	7.6%	3,107
15	PrKTCL[4]	~ 26 Years 0 Months	458	7.9%	7,124
17	TL SitamauSS[5]	NA	NA	NA	93
Total Fair Enterprise Value of Transmission Assets (A)					**2,22,110**

II. Solar Asset

Sr No.	SPVs	Projection Period (Balance PPA Period)	MW	WACC	Fair EV (INR Mn)
18	ISPL 1	~ 19 Years 10 Months	68	8.1%	3,223
19	ISPL 2	~ 20 Years 4 Months	70	8.1%	3,449
20	TNSEPL	~ 17 Years 1 Months	27.6	8.2%	2,188
21	UMD	~ 17 Years 4 Months	30	8.2%	2,381
22	TL Kanji	~ 17 Years 6 Months	48.4	8.2%	3,640
23	TL Raj	~ 20 Years 0 Months	54	7.9%	2,228
24	Solar Edge	~ 19 Years 7 Months	169	8.2%	9,528
25	TL Charanka	~ 13 Years 6 Months	15	8.0%	933
26	TL Tinwari	~ 13 Years 1 Months	5.85	7.8%	935
27	PLG	~ 13 Years 4 Months	20	8.7%	1,334
28	USUPL	~ 17 Years 12 Months	62.9	7.9%	4,486
29	Globus	~ 17 Years 4 Months	23.6	8.0%	1,881
30	TL Patlasi	~ 16 Years 7 Months	22.1	8.0%	1,440
31	TL Nangla	~ 16 Years 6 Months	4.2	7.9%	372
32	TL Gadna	~ 14 Years 6 Months	5.5	8.3%	563
33	GGEL	~ 14 Years 9 Months	50	8.0%	8,121
Total Fair Enterprise Value of Solar Assets (B)					**46,702**

III. Fair enterprise Value

Particulars	Fair EV (INR Mn)
Total Fair Enterprise Value of Transmission Assets (A)	2,22,110
Total Fair Enterprise Value of Solar Assets (B)	46,702
Total Fair Enterprise Value of SPVs (A+B)	**2,68,812**

Notes:

1. KLMTL project is currently under construction. Hence due to the nascent stage of the project, I find it appropriate to consider the Net Asset Value method for arriving at the enterprise value of KLMTL.
2. JKTPL is awarded on DBFOT basis, hence no terminal value is considered
3. The end date for JKTPL is considered after extension of 10 years as per TSA.
4. PrKTCL operates under Cost Plus Mechanism where the period of services is not mentioned in TSA. Ihave considered a total period of 35 years of useful life based on CERC Tariff Regulations,

2019 and based on discussions with the Investment Manager.

5. TL SitamauSS is currently utilized for captive consumption and considering the projections for the same are not available, I find it appropriate to consider the Net Asset Value method for arriving at the enterprise value of TL SitamauSS.

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Section 9:

Additional Procedures as per SEBI InvIT Regulations

Scope of work

- The Schedule V of the SEBI InvIT Regulations prescribes the minimum set of mandatory disclosures to be made in the valuation report. In this reference, the minimum disclosures in valuation report may include following information as well, so as to provide the investors with the adequate information about the valuation and other aspects of the underlying assets of the InvIT.
- The additional set of disclosures, as prescribed under Schedule V of InvIT Regulations, to be made in the valuation report of SPVs are as follows:
  - List of one-time sanctions/approvals which are obtained or pending;
  - List of up to date/overdue periodic clearances;
  - Statement of assets;
  - Estimates of already carried as well as proposed major repairs and improvements along with estimated time of completion;
  - Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any;
  - On-going material litigations including tax disputes in relation to the assets, if any;
  - Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

Limitations

- This Report is based on the information provided by the Investment Manager. The exercise has been restricted and kept limited to and based entirely on the documents, records, files, registers and information provided to me. I have not verified the information independently with any other external source.
- I have assumed the genuineness of all signatures, the authenticity of all documents submitted to me as original, and the conformity of the copies or extracts submitted to me with that of the original documents.
- I have assumed that the documents submitted to me by the Investment Manager in connection with any particular issue are the only documents related to such issue.
- I have reviewed the documents and records from the limited perspective of examining issues noted in the scope of work and I do not express any opinion as to the legal or technical implications of the same.

Analysis of Additional Set of Disclosures for SPVs

I. List of one-time sanctions/approvals which are obtained or pending;

As informed by the Investment Manager, there have been no additional government sanctions/ approvals obtained by the SPVs related to their respective projects between the period 1st April 2023 to 31st September 2023. The list of such sanctions/ approvals obtained by the SPVs till 31st March 2023 is provided in Appendix 7.1 to Appendix 7.33.

II. List of up to date/ overdue periodic clearances;

I have included the periodic clearances obtained by SPVs in Appendix 7.1 to Appendix 7.33.

Approvals which have been applied for but have not been received from the concerned authorities is provided in Appendix 7.34. Approvals for which application is yet to be made is provided in Appendix 7.35.

III. Purchase Price of the SPV by the InvIT

As informed by the Investment manager, following are the purchase price of the SPVs of the InvIT.

Sr. No.	Name of the SPVs	Purchase Price* (INR Mn)
1	BDTCL	37,020
2	JTCL	
3	MTL	4,697
4	RTCL	3,542
5	PKTCL	5,861
6	PTCL	2,320
7	NRSS	40,465
8	OGPTL	11,980
9	ENICL	10,200
10	GPTL	10,850
11	NERTL	51,175
12	RSTCPL	2,500
13	KTL	15,441
14	JKTPL	2,911
15	PrKTCL	8,150
16	KLMTL**	-
17	ISPL 1	6,600
18	ISPL 2	
19	TL SitamauSS	38543**
20	TNSEPL	
21	UMD	
22	TL Kanji	
23	TL Raj	
24	Solar Edge	
25	TL Charanka	
26	TL Tinwari	
27	PLG	
28	USUPL	
29	Globus	
30	TL Patlasi	
31	TL Nangla	
32	TL Gadna	
33	GGEL	
Total		**2,13,712**

** Purchase price considered is the Enterprise value as on the acquisition date of the respective SPVs subject to cash, working capital adjustments and liabilities outstanding.*
*** KLMTL is self-constructed asset which is still under construction.*
**** IGT has acquired control of VRET via Acquisition resulting in addition of 16 operating solar projects (14 SPVs) and 1 Transmission asset held by 15 SPVs with a capacity of 538 MW w.e.f 25th August 2023 (hereinafter referred to as the VRET Assets*

IV. Statement of assets;

The details of assets of the SPVs as at 30th September 2023 are provided in Appendix 4.1 to Appendix 4.33.

V. Estimates of already carried as well as proposed major repairs and improvements along with estimated time of completion;

The maintenance charges of Transmission Lines incurred by the Transmission SPVs and maintenance charges of the Solar Power Plant incurred by the Solar SPVs for the period from FY 2024 to FY 2027 are provided in Appendix 5. Based on the confirmation provided by Investment Manager the expected annual increase in the expenses to be incurred in the future period post FY 2027 is also provided.

Additionally, the details of capital improvements during the life of the project for transmission and solar assets are provided in Appendix 6

Investment Manager has informed to me that there are no material maintenance charges which has been deferred to the upcoming year as the maintenance activities are carried out regularly. I have been informed that overhaul maintenance are regularly carried out by SPVs in order to maintain the working condition of the assets.

VI. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any;

Investment Manager has informed to me that there are no material dues including local authority taxes (such as Municipal Tax, Property Tax, etc.) pending to be payable to the Government authorities with respect to InvIT assets as at 31st March 2023.

VII. On-going material litigations including tax disputes in relation to the assets, if any;

As informed by the Investment Manager, the status of ongoing litigations as on 30th September 2023 are provided in Appendix 8.1 to Appendix 8.23. Investment Manager has informed me that it expects majority of the cases to be settled in favour of SPVs. Further, Investment Manager has informed me that majority of the cases are low to medium risk and accordingly no material outflow is expected against the litigations.

I was not provided with all or partial documents w.r.t. to certain on-going litigations. As informed by the Investment Manager, the documents were not provided due to the following reasons:

1. Certain cases are directly being managed by the legal team of the erstwhile shareholders of respective SPVs, and therefore, the documents were not provided to the Investment Manager by them.

2. The latest hearings documents were not available as (i) the cases are managed by the legal team of the erstwhile shareholders and the documents have not been provided to the Investment Manager and/or (ii) some of the cases are pending before lower forums where daily orders are not provided to the parties/ uploaded on the website.

Further, this on-going litigations are prior to acquisition of SPVs and the same has been indemnified by the seller of these SPVs through Share Purchase Agreement ("SPA"), except PrKTCL(all cases), GPTL(3 cases), JKTPL (2 cases), NRSS (7 cases), OGPTL (3 cases), PKTCL (1 case), ISPL (3 cases), KLMTL (2 cases), Solar Edge (1 case), TL Charanka & PLG (1 case) and TL Raj (1 case). I have relied on Investment Manager with respect to the current status of abovementioned cases.

VIII. Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

Investment Manager has confirmed to me that there ar4e no such natural or induced hazards which have not been considered in town planning/ building control.

Section 10:

Sources of Information

Sources of Information

For the purpose of undertaking this valuation exercise, I have relied on the following sources of information provided by the Investment Manager:

- Audited financial statements of the SPVs for the Financial Year ("FY") ended 31st March 2019, 31st March 2020, 31st March 2021, 31st March 2022 and 31st March 2023.
- Provisional Profit & Loss account and Balance Sheet of the SPVs for six month ended 30th September 2023.
- Projected financial information for the remaining project life for each of the SPVs
- Projected incremental revenue due to change in law in MTL, NRSS, OGPTL, BDTCL, JTCL, ENICL, GPTL, NERTL and KTL.
- Details of brought forward losses for all SPVs (as per Income Tax Act) as at 30th September 2023.
- Details of written down value (as per Income Tax Act) of assets for all SPVs as at 30th September 2023.
- Details of projected Repairs and Capital Expenditure ("Capex") as represented by the Investment Manager.
- As on 30th September 2023, India Grid Trust holds equity stake in the SPVs as mentioned in the Section 2. As represented to me by the Investment Manager, there are no changes in the shareholding pattern from 30th September 2023 to the date of issuance of this Report.
- Transmission Service Agreement (TSA) of the transmission SPVs with Long Term Transmission Customers and Tariff Adoption Order by CERC.
- Power Purchase Agreements (PPA) entered into by the solar SPVs with their respective customers.
- List of licenses / approvals, details of tax litigations, civil proceeding and arbitrations of the SPVs
- Management Representation Letter by Investment Manager dated 03rd December 2023.
- The information provided to me by the Investment Manager in relation to the SPVs included but not limited to historical financial statements, forecasts/projections, other statements and assumptions about future matters like forward-looking financial information prepared by the Investment Manager. The forecasts and projections as supplied to me are based upon assumptionsabout events and circumstances which are yet to occur.
- I have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in relation to the forward-looking financial information, however, I have made sufficient enquiries to satisfy myself that such information has been prepared on a reasonable basis.
- Notwithstanding anything above, I cannot provide any assurance that the forward looking financialinformation will be representative of the results which will actually be achieved during the cash flowforecast period.
- Information about the SPV's, IGT available in public domain.
- Such other information and explanation as requested by me and as provided by the Management.

Section 11:

Disclaimer and Limitations

Disclaimers and Limiting Conditions

- The Report is subject to the limiting conditions detailed hereinafter. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
- Valuation analysis and results are specific to the purpose of valuation and is not intended to represent value at any time other than valuation date of 30th September 2023 (Valuation Date) mentioned in the Report and as per agreed terms of my engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- This Report, its contents and the results are specific to
  - ii. The purpose of valuation agreed as per the terms of my engagements;
  - iii. The Valuation Date and
  - iv. Are based on the financial information of SPVs till 30th September 2023.
- The Investment Manager has represented that the business activities of SPVs have been carried out in normal and ordinary course between 30th September 2023 and the Report Date and that no material changes have occurred in the operations and financial position between 30th September 2023 and the Report date.
- The scope of the assignment did not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was provided and used by me during the course of work. The assignment did not involve me to conduct the financial or technical feasibility study. I have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the SPVs or any of other entity mentioned inthis Report and have considered them at the value as disclosed by the SPVs in their regulatory filings or in submissions, oral or written, made to me.
- In addition, I do not take any responsibility for any changes in the information used by me to arriveat the conclusion as set out herein which may occur subsequent to the date of Report or by virtueof fact that the details provided to me are incorrect or inaccurate.
- I have assumed and relied upon the truth, accuracy and completeness of the information, data andfinancial terms provided to me or used by me; I have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of suchinformation or any independent technical valuation or appraisal of any of the assets, operations orliabilities of SPVs or any other entity mentioned in the Report. Nothing has come to my knowledgeto indicate that the material provided to me was misstated or incorrect or would not afford reasonable grounds upon which to base this Report.
- This Report is intended for the sole use in connection with the purpose as set out above. It can however be relied upon and disclosed in connection with any statutory and regulatory filing in connection with the provision of SEBI InvIT Regulations. However, I will not accept any responsibility to any other party to whom this Report may be shown or who may acquire a copy ofthe Report, without my written consent.
- It is clarified that this Report is not a fairness opinion under any of the stock exchange/ listing regulations. In case of any third party having access to this Report, please note this Report is not a substitute for the third party’s own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.
- Further, this Report is necessarily based on financial, economic, monetary, market and other

conditions as in effect on, and the information made available to me or used by me up to, the datehereof. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirmthis Report if information provided to me changes.

- This Report is based on the information received from the sources mentioned in Section 10 and discussions with the Investment Manager. I have assumed that no information has been withheld that could have influenced the purpose of Report.
- For the present valuation exercise, I have also relied upon information available in the public domain; however, the accuracy and timeliness of the same has not been independently verified by me.
- Any discrepancies in any table / appendix between the total and the sums of the amounts listed aredue to rounding-off.
- Valuation is not a precise science and the conclusions arrived at in many cases may be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. I have arrived at an indicative EV based on my analysis. While I have provided an assessmentof the value based on an analysis of information available to me and within the scope of engagement, others may place a different value on this business.
- Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from theseestimates and the variations may be material.
- This Report does not look into the business / commercial reasons behind the transaction nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of investing in the SPV as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives, or whether or not such alternatives could be achieved or are available. The assessment of commercial and investment merits of the SPV are sole responsibility of the investors of the Trust and I do not express my opinion on the suitability or otherwise of entering into any financial or other transactions with the SPV, Investment Manager, the Trust or the Sponsors.
- I do not carry out any validation procedures or due diligence with respect to the information provided/extracted or carry out any verification of the assets or comment on the achievability andreasonableness of the assumptions underlying the financial forecasts, save for satisfying myself tothe extent possible that they are consistent with other information provided to me in the course ofthis engagement.
- My conclusion assumes that the assets and liabilities of the SPVs, reflected in their respective latest balance sheets remain intact as of the Report date.
- Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither myself, nor any of my officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, I make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. I expressly disclaim any and all liabilities, which may arise based upon the information used in this Report. I am not liable to any third party in relation to the issue of this Report.

- The scope of my work has been limited both in terms of the areas of the business and operations which I have reviewed and the extent to which I have reviewed them. There may be matters, other than those noted in this Report, which might be relevant in the context of the transaction and which awider scope might uncover.
- In the particular circumstances of this case, my liability (in contract or under statute or otherwise) for any economic loss or damage arising out of or in connection with this engagement, however the loss or damage caused, shall be limited to the amount of fees actually received by me from theInvestment Manager, as laid out in the engagement letter, for such valuation work.
- In rendering this Report, I have not provided any legal, regulatory, tax, accounting or actuarial advice and accordingly I do not assume any responsibility or liability in respect thereof.
- This Report does not address the relative merits of investing in InvIT as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could beachieved or are available.
- I am not advisor with respect to legal tax and regulatory matters for the proposed transaction. No investigation of the SPVs' claim to title of assets has been made for the purpose of this Report andthe SPVs' claim to such rights have been assumed to be valid. No consideration has been given toliens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- I have no present or planned future interest in the Trustee, Investment Manager or the SPVs and the fee for this Report is not contingent upon the values reported herein. My valuation analysis should not be construed as investment advice; specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Investment Manager or the SPV.
- I have submitted the draft valuation report to the Trust and Investment Manager for confirmation of accuracy of factual data used in my analysis and to prevent any error or inaccuracy in the final valuation report.

Limitation of Liabilities

- It is agreed that, having regard to the RV's interest in limiting the personal liability and exposure tolitigation of its personnel, the Sponsors, the Investment Manager and the Trust will not bring any claim in respect of any damage against any of the RV's personnel personally.
- In no circumstance, RV shall be responsible for any consequential, special, direct, indirect, punitiveor incidental loss, damages or expenses (including loss of profits, data, business, opportunity cost, goodwill or indemnification) in connection with the performance of the services whether such damages are based on breach of contract, tort, strict liability, breach of warranty, negligence, or otherwise) even if the Investment Manager had contemplated and communicated to RV the likelihood of such damages. Any decision to act upon the deliverables is to be made by the Investment Manager and no communication by RV should be treated as an invitation or inducementto engage the Investment Manager to act upon the deliverable.
- It is clarified that the IIML and the Trustee will be solely responsible for any delays, additional costs,or other liabilities caused by or associated with any deficiencies in their responsibilities, misrepresentations, incorrect and incomplete information including information provided to determine the assumptions.

- RV will not be liable if any loss arises due to the provision of false, misleading or incomplete information or documentation by IIML or the Trustee.
- Further, this Report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to me or used by me up to, the datehereof. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirmthis Report if information provided to me changes.

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Section 12:

Appendices

1. Transmission Assets

Weighted Average Cost of Capital

Appendix 1.1: Calculation of Cost of Equity of the SPVs as on 30th September 2023

Particulars	Notes	BDTCL	JTCL	MTL	RTCL	PKTCL	PTCL	NRSS
Risk Free Rate (Rf)	a	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%
Beta (relevered)	b	0.72	0.72	0.69	0.68	0.68	0.69	0.67
Equity Risk Premium (ERP)	c	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Company Specific Risk Premium (CSRP)	d	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Cost of Equity (Ke)	**e**	**12.2%**	**12.2%**	**12.0%**	**11.9%**	**11.9%**	**12.0%**	**11.9%**

Particulars	Notes	OGPTL	GPTL	NERTL	RSTCPL	KTL	JKTPL	PrKTCL
Risk Free Rate (Rf)	a	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%
Beta (relevered)	b	0.69	0.69	0.68	0.71	0.70	0.67	0.67
Equity Risk Premium (ERP)	c	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Company Specific Risk Premium (CSRP)	d	0.0%	0.0%	0.0%	1.0%	0.0%	0.0%	1.0%
Adjusted Cost of Equity (Ke)	**e**	**12.0%**	**12.0%**	**11.9%**	**13.1%**	**12.0%**	**11.9%**	**12.9%**

Particulars	Notes	ENICL	
		Explicit Period	Terminal Period
Risk Free Rate (Rf)	a	7.2%	7.2%
Beta (relevered)	b	0.73	0.24
Equity Risk Premium (ERP)	c	7.0%	7.0%
Company Specific Risk Premium (CSRP)	d	0.0%	3.0%
Adjusted Cost of Equity (Ke)	**e**	**12.2%**	**11.8%**

Notes:

a) Risk Free Rate has been considered on zero coupon yield as at 30th September 2023 of Government Securities having maturity period of 10 years, as quoted on CCIL's website.

b) Beta has been considered based on the beta of companies operating in the similar kind of business in India

c) Based on the historical realized returns of equity investments over a risk free rate of as presented by 10 year government bonds, a 7% equity risk premium is considered appropriate in India.

d) Risk Premium/Discount Specific to the SPV

e) Adjusted Ke = RF + (β x ERP) + CSRP

Appendix 1.2: Calculation Cost of Debt of the SPVs as on 30th September 2023

Particulars	Notes	BDTCL	JTCL	MTL	RTCL	PKTCL	PTCL	NRSS
Pre-tax Cost of Debt	f	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%
Effective tax rate of SPV	g	15.3%	13.7%	19.6%	21.6%	21.5%	20.4%	22.5%
Post-tax Cost of Debt (Kd)	**h**	**6.4%**	**6.5%**	**6.1%**	**5.9%**	**5.9%**	**6.0%**	**5.9%**

Particulars	Notes	OGPTL	GPTL	NERTL	RSTCPL	KTL	JKTPL	PrKTCL
Pre-tax Cost of Debt	f	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%
Effective tax rate of SPV	g	19.1%	19.8%	21.0%	14.9%	18.5%	23.0%	23.1%
Post-tax Cost of Debt (Kd)	**h**	**6.1%**	**6.1%**	**6.0%**	**6.4%**	**6.2%**	**5.8%**	**5.8%**

Particulars	Notes	ENICL	
		Explicit Period	Terminal Period
Pre-tax Cost of Debt	f	7.6%	7.6%
Effective tax rate of SPV	g	13.4%	25.2%
Post-tax Cost of Debt (Kd)	**h**	**6.5%**	**5.7%**

Notes:

f) As represented by the Investment Manager

g) Average tax rate for the life of the SPV have been considered

h) Kd = Pre-tax Kd * (1 - Effective Tax Rate)

Appendix 1.3: Weighted Average Cost of Capital of the SPVs as on 30th September 2023

Particulars	Weights	BDTCL	JTCL	MTL	RTCL	PKTCL	PTCL	NRSS
Cost of Equity (Ke)	30	12.2%	12.2%	12.0%	11.9%	11.9%	12.0%	11.9%
Cost of Debt (Kd)	70	6.4%	6.5%	6.1%	5.9%	5.9%	6.0%	5.9%
WACC		**8.1%**	**8.2%**	**7.9%**	**7.7%**	**7.7%**	**7.8%**	**7.7%**

Particulars	Weights	OGPTL	GPTL	NERTL	RSTCPL	KTL	JKTPL	PrKTCL
Cost of Equity (Ke)	30	12.0%	12.0%	11.9%	13.1%	12.0%	11.9%	12.9%
Cost of Debt (Kd)	70	6.1%	6.1%	6.0%	6.4%	6.2%	5.8%	5.8%
WACC		**7.9%**	**7.8%**	**7.8%**	**8.4%**	**7.9%**	**7.6%**	**7.9%**

Particulars	Weights	ENICL	
		Explicit Period	Terminal Period
Cost of Equity (Ke)	30	12.2%	11.8%
Cost of Debt (Kd)	70	6.5%	5.7%
WACC		**8.25%**	**11.84%**

2. Solar Assets

Weighted Average Cost of Capital-

Appendix 1.4: Calculation of Cost of Equity of the SPVs as on 30th September 2023

Particulars	Notes	ISPL 1	ISPL 2	TNSEPL	UMD	TL Kanji	TL Raj	Solar Edge	TL Charanka
Risk Free Rate (Rf)	a	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%
Beta (relevered)	b	0.80	0.80	0.81	0.81	0.81	0.78	0.81	0.79
Equity Risk Premium (ERP)	c	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Company Specific Risk Premium (CSRP)	d	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Cost of Equity (Ke)	**e**	**12.7%**	**12.8%**	**12.8%**	**12.8%**	**12.8%**	**12.6%**	**12.8%**	**12.7%**

Particulars	Notes	TL Tinwari	PLG	USUPL	Globus	TL Patlasi	TL Nangla	TL Gadna	GGEL
Risk Free Rate (Rf)	a	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%
Beta (relevered)	b	0.77	0.86	0.77	0.79	0.79	0.78	0.82	0.79
Equity Risk Premium (ERP)	c	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Company Specific Risk Premium (CSRP)	d	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted Cost of Equity (Ke)	**e**	**12.6%**	**13.2%**	**12.6%**	**12.7%**	**12.7%**	**12.6%**	**12.9%**	**12.7%**

Notes:

a) Risk Free Rate has been considered on zero coupon yield as at 30th September 2023 of Government Securities having maturity period of 10 years, as quoted on CCIL's website.

b) Beta has been considered based on the beta of companies operating in the similar kind of business in India

c) Based on the historical realized returns of equity investments over a risk free rate of as presented by 10 year government bonds, a 7% equity risk premium is considered appropriate in India.

d) Risk Premium/Discount Specific to the SPV

e) Adjusted Ke = RF + (β x ERP) + CSRP

Appendix 1.5: Calculation Cost of Debt of the SPVs as on 30th September 2023

Particulars	Notes	ISPL 1	ISPL 2	TNSEPL	UMD	TL Kanji	TL Raj	Solar Edge	TL Charanka
Pre-tax Cost of Debt	f	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%
Effective tax rate of SPV	g	19.7%	19.2%	17.9%	17.3%	17.7%	22.9%	17.5%	20.4%
Post-tax Cost of Debt (Kd)	**h**	**6.1%**	**6.1%**	**6.2%**	**6.3%**	**6.2%**	**5.8%**	**6.2%**	**6.0%**

Particulars	Notes	TL Tinwari	PLG	USUPL	Globus	TL Patlasi	TL Nangla	TL Gadna	GGEL
Pre-tax Cost of Debt	f	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%
Effective tax rate of SPV	g	23.5%	10.0%	23.0%	20.4%	20.5%	21.7%	16.7%	20.8%
Post-tax Cost of Debt (Kd)	**h**	**5.8%**	**6.8%**	**5.8%**	**6.0%**	**6.0%**	**5.9%**	**6.3%**	**6.0%**

Notes:

f) As represented by the Investment Manager

g) Average tax rate for the life of the SPV have been considered

h) Kd = Pre-tax Kd * (1 - Effective Tax Rate)

Appendix 1.6: Weighted Average Cost of Capital of the SPVs as on 30th September 2023

Particulars	Weights	ISPL 1	ISPL 2	TNSEPL	UMD	TL Kanji	TL Raj	Solar Edge	TL Charanka
Cost of Equity %	30	12.7%	12.8%	12.8%	12.8%	12.8%	12.6%	12.8%	12.7%
Cost of Debt %	70	6.1%	6.1%	6.2%	6.3%	6.2%	5.8%	6.2%	6.0%
WACC		**8.1%**	**8.1%**	**8.2%**	**8.2%**	**8.2%**	**7.9%**	**8.2%**	**8.0%**

Particulars	Weights	TL Tinwari	PLG	USUPL	Globus	TL Patlasi	TL Nangla	TL Gadna	GGEL
Cost of Equity %	30	12.6%	13.2%	12.6%	12.7%	12.7%	12.6%	12.9%	12.7%
Cost of Debt %	70	5.8%	6.8%	5.8%	6.0%	6.0%	5.9%	6.3%	6.0%
WACC		**7.8%**	**8.7%**	**7.9%**	**8.0%**	**8.0%**	**7.9%**	**8.3%**	**8.0%**

Discounted Cash Flow of SPVs

Appendix 2.1: Valuation of BDTCL as on 30th September 2023 under the DCF Method

WACC 8.1% **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	814	657	81%	0	(160)	0	817	0.25	0.98	801
2025	1915	1743	91%	5	1	0	1737	1.00	0.92	1606
2026	1918	1740	91%	0	0	0	1740	2.00	0.86	1488
2027	1921	1736	90%	0	0	0	1736	3.00	0.79	1373
2028	1924	1732	90%	0	(1)	0	1733	4.00	0.73	1268
2029	1928	1728	90%	0	1	0	1727	5.00	0.68	1168
2030	1931	1725	89%	5	0	0	1719	6.00	0.63	1076
2031	1935	1721	89%	0	0	0	1720	7.00	0.58	995
2032	1939	1717	89%	0	(1)	0	1718	8.00	0.54	919
2033	1943	1713	88%	0	2	0	1711	9.00	0.49	847
2034	1948	1709	88%	0	0	321	1387	10.00	0.46	635
2035	1953	1704	87%	5	0	392	1307	11.00	0.42	553
2036	1958	1700	87%	0	(1)	396	1305	12.00	0.39	511
2037	1964	1696	86%	0	2	400	1294	13.00	0.36	469
2038	1969	1692	86%	0	1	403	1288	14.00	0.33	431
2039	1975	1688	85%	0	1	405	1282	15.00	0.31	397
2040	1982	1683	85%	5	(1)	407	1272	16.00	0.29	364
2041	1989	1679	84%	0	2	408	1269	17.00	0.26	336
2042	1996	1675	84%	0	1	409	1264	18.00	0.24	310
2043	2004	1670	83%	0	1	410	1259	19.00	0.23	285
2044	2012	1666	83%	0	(0)	411	1256	20.00	0.21	263
2045	2021	1662	82%	5	2	411	1244	21.00	0.19	241
2046	2030	1657	82%	0	1	411	1246	22.00	0.18	223
2047	2040	1653	81%	0	1	411	1241	23.00	0.17	206
2048	2050	1649	80%	0	(0)	410	1239	24.00	0.15	190
2049*	2050	1635	80%	0	1	407	1226	25.00	0.14	174
TV	2055	1639	80%	1	0	412	1226	25.00	0.14	174
Present Value of Explicit Period Cash Flows										**17,129**
Present Value of Terminal Period (TV) Cash Flows*										**2,137**
Enterprise Value										**19,266**

**30th March 2049*

Appendix 2.2: Valuation of JTCL as on 30th September 2023 under the DCF Method

WACC **8.2%** **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	755	707	94%	0	(96)	0	803	0.25	0.98	787
2025	1516	1453	96%	0	1	0	1452	1.00	0.92	1341
2026	1516	1451	96%	0	(0)	0	1451	2.00	0.85	1239
2027	1515	1449	96%	0	(0)	0	1449	3.00	0.79	1143
2028	1515	1447	96%	0	(1)	0	1448	4.00	0.73	1055
2029	1515	1445	95%	0	1	0	1444	5.00	0.67	972
2030	1514	1443	95%	0	(0)	0	1443	6.00	0.62	898
2031	1514	1441	95%	0	(0)	0	1441	7.00	0.57	828
2032	1513	1439	95%	0	(1)	0	1440	8.00	0.53	764
2033	1513	1436	95%	0	1	0	1436	9.00	0.49	704
2034	1512	1434	95%	0	(0)	0	1434	10.00	0.45	650
2035	1511	1431	95%	0	(0)	36	1395	11.00	0.42	584
2036	1511	1428	95%	0	(1)	331	1098	12.00	0.39	425
2037	1510	1425	94%	0	1	335	1090	13.00	0.36	389
2038	1509	1422	94%	0	(0)	338	1085	14.00	0.33	358
2039	1508	1419	94%	0	(0)	340	1080	15.00	0.31	329
2040	1506	1416	94%	0	(2)	342	1076	16.00	0.28	303
2041	1505	1412	94%	0	0	343	1069	17.00	0.26	278
2042	1504	1409	94%	0	(1)	344	1065	18.00	0.24	256
2043	1502	1405	94%	0	(1)	345	1061	19.00	0.22	236
2044	1500	1401	93%	0	(2)	345	1057	20.00	0.21	217
2045	1498	1396	93%	0	0	345	1051	21.00	0.19	199
2046	1496	1392	93%	0	(1)	345	1048	22.00	0.18	184
2047	1494	1387	93%	0	(1)	344	1043	23.00	0.16	169
2048	1491	1382	93%	0	(2)	344	1040	24.00	0.15	156
2049*	1363	1260	92%	0	(0)	314	947	24.96	0.14	131
TV	1489	1377	92%	0	0	346	1030	24.96	0.14	143
Present Value of Explicit Period Cash Flows										**14,597**
Present Value of Terminal Period (TV) Cash Flows										**1,735**
Enterprise Value										**16,331**

**28th February 2049*

Appendix 2.3: Valuation of MTL as on 30th September 2023 under the DCF Method

WACC **7.9%** **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	290	264	91%	0	10	0	253	0.25	0.98	248
2025	580	538	93%	0	0	0	538	1.00	0.93	499
2026	580	538	93%	0	0	0	538	2.00	0.86	462
2027	581	537	92%	0	0	0	537	3.00	0.80	428
2028	582	536	92%	0	(0)	0	537	4.00	0.74	397
2029	582	535	92%	0	0	0	535	5.00	0.69	367
2030	583	535	92%	0	0	41	494	6.00	0.64	314
2031	584	534	91%	0	0	115	419	7.00	0.59	247
2032	585	533	91%	0	(0)	117	416	8.00	0.55	227
2033	585	532	91%	0	0	120	412	9.00	0.51	209
2034	586	532	91%	0	0	122	410	10.00	0.47	192
2035	587	531	90%	0	0	123	407	11.00	0.44	177
2036	588	530	90%	0	(0)	125	406	12.00	0.40	164
2037	589	529	90%	0	0	126	403	13.00	0.37	151
2038	590	528	90%	0	0	127	402	14.00	0.35	139
2039	591	528	89%	0	0	127	400	15.00	0.32	129
2040	593	527	89%	0	(0)	128	399	16.00	0.30	119
2041	594	526	89%	0	1	128	397	17.00	0.28	110
2042	595	525	88%	0	0	129	396	18.00	0.26	102
2043	596	524	88%	0	0	129	395	19.00	0.24	94
2044	598	524	88%	0	(0)	129	394	20.00	0.22	87
2045	599	523	87%	0	1	130	393	21.00	0.20	80
2046	601	522	87%	0	0	130	392	22.00	0.19	74
2047	603	521	86%	0	0	130	391	23.00	0.18	69
2048	604	520	86%	0	(0)	130	391	24.00	0.16	64
2049	606	519	86%	0	1	130	389	25.00	0.15	59
2050	608	519	85%	0	0	130	389	26.00	0.14	54
2051	610	518	85%	0	0	130	388	27.00	0.13	50
2052	612	517	84%	0	(0)	130	388	28.00	0.12	47
2053*	433	364	84%	0	0	91	272	28.85	0.11	31
TV	614	516	84%	0	0	130	386	28.85	0.11	44
Present Value of Explicit Period Cash Flows										**5,390**
Present Value of Terminal Period (TV) Cash Flows										**556**
Enterprise Value										**5,945**

**13th December 2052*

Appendix 2.4: Valuation of RTCL as on 30th September 2023 under the DCF Method

WACC 7.7% **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	226	209	92%	0	(21)	0	229	0.25	0.98	225
2025	455	435	96%	0	(0)	0	435	1.00	0.93	404
2026	455	434	95%	0	(0)	0	434	2.00	0.86	374
2027	455	433	95%	0	(0)	0	433	3.00	0.80	347
2028	455	432	95%	0	(0)	66	366	4.00	0.74	272
2029	455	432	95%	0	(0)	96	336	5.00	0.69	232
2030	455	431	95%	0	(0)	97	334	6.00	0.64	213
2031	455	430	95%	0	(0)	99	331	7.00	0.59	197
2032	454	429	94%	0	(0)	100	329	8.00	0.55	182
2033	454	428	94%	0	(0)	101	327	9.00	0.51	168
2034	454	427	94%	0	(0)	102	326	10.00	0.48	155
2035	454	426	94%	0	(0)	102	324	11.00	0.44	143
2036	454	425	94%	0	(0)	103	322	12.00	0.41	132
2037	454	424	93%	0	(0)	103	321	13.00	0.38	122
2038	454	423	93%	0	(0)	103	319	14.00	0.35	113
2039	453	421	93%	0	(0)	103	318	15.00	0.33	104
2040	453	420	93%	0	(0)	104	317	16.00	0.30	96
2041	453	419	92%	0	(0)	104	315	17.00	0.28	89
2042	453	417	92%	0	(0)	103	314	18.00	0.26	82
2043	357	320	90%	0	(24)	79	265	19.00	0.24	65
2044	318	280	88%	0	(10)	69	221	20.00	0.23	50
2045	318	279	88%	0	(0)	69	210	21.00	0.21	44
2046	317	277	87%	0	(0)	69	208	22.00	0.19	41
2047	317	275	87%	0	(0)	69	207	23.00	0.18	37
2048	317	274	86%	0	(0)	68	206	24.00	0.17	34
2049	316	272	86%	0	(0)	68	204	25.00	0.16	32
2050	315	270	85%	0	(0)	67	202	26.00	0.14	29
2051*	288	245	85%	0	(0)	61	184	26.96	0.13	25
TV	315	268	85%	0	0	67	200	26.96	0.13	27
Present Value of Explicit Period Cash Flows										**4,005**
Present Value of Terminal Period (TV) Cash Flows										**349**
Enterprise Value										**4,354**

**28th February 2051*

Appendix 2.5: Valuation of PKTCL as on 30th September 2023 under the DCF Method

WACC 7.7% **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	373	347	93%	0	(11)	0	358	0.25	0.98	351
2025	749	711	95%	0	0	0	710	1.00	0.93	659
2026	748	709	95%	0	(0)	0	709	2.00	0.86	611
2027	748	708	95%	0	(0)	0	708	3.00	0.80	566
2028	748	707	94%	0	(1)	134	573	4.00	0.74	426
2029	748	705	94%	0	0	151	554	5.00	0.69	382
2030	748	704	94%	0	(0)	154	550	6.00	0.64	352
2031	748	703	94%	0	(0)	158	545	7.00	0.59	324
2032	748	701	94%	0	(1)	160	542	8.00	0.55	299
2033	748	700	94%	0	0	162	537	9.00	0.51	275
2034	747	698	93%	0	(0)	164	534	10.00	0.47	254
2035	747	696	93%	0	(0)	165	531	11.00	0.44	234
2036	622	569	92%	0	(32)	135	467	12.00	0.41	191
2037	526	472	90%	0	(24)	112	384	13.00	0.38	146
2038	526	470	89%	0	(0)	112	358	14.00	0.35	126
2039	526	468	89%	0	(0)	113	356	15.00	0.33	117
2040	525	466	89%	0	(1)	113	354	16.00	0.30	108
2041	525	464	88%	0	0	113	351	17.00	0.28	99
2042	524	462	88%	0	(0)	113	349	18.00	0.26	91
2043	524	459	88%	0	(0)	113	347	19.00	0.24	84
2044	523	457	87%	0	(1)	113	345	20.00	0.23	78
2045	523	454	87%	0	0	112	342	21.00	0.21	72
2046	522	452	87%	0	(0)	112	340	22.00	0.19	66
2047	522	449	86%	0	(0)	112	338	23.00	0.18	61
2048	521	446	86%	0	(1)	111	336	24.00	0.17	56
2049	520	443	85%	0	(0)	110	333	25.00	0.16	52
2050	519	440	85%	0	(0)	110	330	26.00	0.14	48
2051*	488	411	84%	0	(1)	103	309	26.97	0.13	41
TV	518	436	84%	0	0	110	327	26.97	0.13	44
Present Value of Explicit Period Cash Flows										**6,168**
Present Value of Terminal Period (TV) Cash Flows										**567**
Enterprise Value										**6,735**

**10th March 2051*

Appendix 2.6: Valuation of PTCL as on 30th September 2023 under the DCF Method

WACC 7.8% **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	159	126	79%	21.11	(1)	0	106	0.25	0.98	104
2025	318	296	93%	26.62	0	0	269	1.00	0.93	249
2026	319	295	93%	26.62	0	0	269	2.00	0.86	231
2027	319	295	92%	26.62	0	0	268	3.00	0.80	214
2028	320	294	92%	26.62	(0)	0	268	4.00	0.74	198
2029	320	294	92%	26.62	0	29	238	5.00	0.69	163
2030	321	293	91%	26.62	0	57	209	6.00	0.64	133
2031	321	292	91%	26.62	0	59	207	7.00	0.59	122
2032	258	228	88%	26.62	(16)	44	174	8.00	0.55	95
2033	258	226	88%	26.62	0	44	155	9.00	0.51	79
2034	258	225	87%	26.62	(0)	45	154	10.00	0.47	73
2035	258	224	87%	26.62	(0)	45	152	11.00	0.44	66
2036	279	243	87%	26.62	5	51	161	12.00	0.41	65
2037	279	242	87%	26.62	0	51	164	13.00	0.38	62
2038	279	240	86%	26.62	(0)	51	162	14.00	0.35	57
2039	279	238	85%	26.62	(0)	51	161	15.00	0.32	52
2040	279	237	85%	26.62	(0)	51	159	16.00	0.30	48
2041	279	235	84%	26.62	0	51	157	17.00	0.28	44
2042	289	243	84%	26.62	2	53	161	18.00	0.26	42
2043	289	241	83%	26.62	(0)	53	162	19.00	0.24	39
2044	289	239	83%	26.62	(0)	53	160	20.00	0.22	36
2045	289	237	82%	26.62	(0)	52	158	21.00	0.21	33
2046	289	235	81%	26.62	(0)	52	157	22.00	0.19	30
2047	289	232	80%	26.62	(0)	51	155	23.00	0.18	28
2048	289	230	80%	26.62	(0)	51	153	24.00	0.16	25
2049	289	227	79%	26.62	(0)	50	151	25.00	0.15	23
2050	288	225	78%	26.62	(0)	49	149	26.00	0.14	21
2051	288	222	77%	26.62	(0)	49	147	27.00	0.13	19
2052*	178	135	76%	16.3367	(0)	30	89	27.81	0.12	11
TV	290	220	76%	26.62	0	49	145	27.81	0.12	18
Present Value of Explicit Period Cash Flows										**2,363**
Present Value of Terminal Period (TV) Cash Flows										**230**
Enterprise Value										**2,593**

**10th November 2051*

Appendix 2.7: Valuation of NRSS as on 30th September 2023 under the DCF Method

WACC 7.7% **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY2024	2590	2454	95%	0	101	0	2353	0.25	0.98	2310
2025	5191	4999	96%	0	(1)	0	5000	1.00	0.93	4644
2026	5190	4989	96%	0	(1)	0	4990	2.00	0.86	4305
2027	5188	4979	96%	0	(1)	737	4243	3.00	0.80	3400
2028	5185	4967	96%	0	(2)	1028	3941	4.00	0.74	2933
2029	5184	4957	96%	0	(1)	1058	3899	5.00	0.69	2696
2030	5177	4940	95%	0	(3)	1083	3860	6.00	0.64	2478
2031	4841	4594	95%	0	(85)	1020	3660	7.00	0.60	2183
2032	4839	4581	95%	0	(2)	1037	3546	8.00	0.55	1964
2033	3642	3373	93%	0	(302)	750	2925	9.00	0.51	1505
2034	3639	3358	92%	0	(2)	761	2599	10.00	0.48	1242
2035	3635	3343	92%	0	(2)	770	2575	11.00	0.44	1143
2036	3632	3327	92%	0	(2)	777	2552	12.00	0.41	1052
2037	3628	3310	91%	0	(2)	782	2531	13.00	0.38	969
2038	3623	3292	91%	0	(2)	785	2510	14.00	0.36	893
2039	3619	3273	90%	0	(3)	787	2489	15.00	0.33	822
2040	3614	3254	90%	0	(3)	787	2469	16.00	0.31	758
2041	3608	3233	90%	0	(3)	787	2449	17.00	0.28	698
2042	3602	3211	89%	0	(3)	785	2428	18.00	0.26	643
2043	3595	3187	89%	0	(3)	783	2408	19.00	0.25	592
2044	3588	3163	88%	0	(3)	780	2387	20.00	0.23	545
2045	3581	3137	88%	0	(4)	776	2365	21.00	0.21	502
2046	3572	3110	87%	0	(4)	771	2343	22.00	0.20	462
2047	3563	3081	86%	0	(4)	765	2320	23.00	0.18	425
2048	3554	3051	86%	0	(4)	759	2296	24.00	0.17	390
2049	3543	3019	85%	0	(5)	753	2271	25.00	0.16	359
2050	3532	2985	85%	0	(5)	745	2245	26.00	0.15	329
2051	3520	2950	84%	0	(5)	737	2218	27.00	0.14	302
2052	3503	2909	83%	0	(6)	728	2188	28.00	0.13	277
2053	3491	2871	82%	0	(6)	719	2158	29.00	0.12	254
2054*	1468	1195	81%	0	(15)	300	911	29.71	0.11	102
TVG	3479	2833	81%	0	0	713	2120	29.71	0.11	236
Present Value of Explicit Period Cash Flows										**41,172**
Present Value of Terminal Period (TV) Cash Flows										**3,084**
Enterprise Value										**44,257**

**1st September 2053*

Appendix 2.8: Valuation of OGPTL as on 30th September 2023 under the DCF Method

WACC **7.9%** **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	775	742	96%	0	9	0	733	0.25	0.98	719
FY 25	1,530	1,468	96%	0	(9)	0	1,477	1.00	0.93	1,369
FY 26	1,496	1,433	96%	0	(9)	0	1,441	2.00	0.86	1,238
FY 27	1,463	1,398	96%	0	(9)	0	1,406	3.00	0.80	1,120
FY 28	1,431	1,363	95%	0	(8)	0	1,372	4.00	0.74	1,012
FY 29	1,399	1,330	95%	0	(8)	0	1,338	5.00	0.68	915
FY 30	1,369	1,297	95%	0	(8)	0	1,305	6.00	0.63	828
FY 31	1,339	1,266	95%	0	(8)	56	1,217	7.00	0.59	715
FY 32	1,310	1,235	94%	0	(7)	245	997	8.00	0.54	543
FY 33	1,282	1,204	94%	0	(7)	247	964	9.00	0.50	487
FY 34	1,256	1,176	94%	0	(7)	249	934	10.00	0.47	437
FY 35	1,231	1,149	93%	0	(6)	249	906	11.00	0.43	393
FY 36	1,222	1,138	93%	0	(2)	252	888	12.00	0.40	357
FY 37	1,225	1,137	93%	0	0	257	880	13.00	0.37	328
FY 38	1,227	1,137	93%	0	0	261	875	14.00	0.35	302
FY 39	1,229	1,137	92%	0	0	265	871	15.00	0.32	279
FY 40	1,232	1,137	92%	0	0	268	868	16.00	0.30	258
FY 41	1,235	1,137	92%	0	0	271	865	17.00	0.28	238
FY 42	1,237	1,137	92%	0	0	273	863	18.00	0.25	220
FY 43	1,240	1,137	92%	0	0	275	861	19.00	0.24	204
FY 44	1,244	1,137	91%	0	1	277	860	20.00	0.22	188
FY 45	1,247	1,137	91%	0	1	278	858	21.00	0.20	174
FY 46	1,250	1,137	91%	0	1	279	857	22.00	0.19	161
FY 47	1,254	1,138	91%	0	1	281	856	23.00	0.17	149
FY 48	1,258	1,138	90%	0	1	282	856	24.00	0.16	138
FY 49	1,262	1,139	90%	0	1	282	855	25.00	0.15	128
FY 50	1,266	1,139	90%	0	1	283	855	26.00	0.14	119
FY 51	1,270	1,140	90%	0	1	284	855	27.00	0.13	110
FY 52	1,275	1,141	89%	0	1	285	855	28.00	0.12	102
FY 53	1,280	1,142	89%	0	1	285	856	29.00	0.11	95
FY 54	1,285	1,143	89%	0	1	286	856	30.00	0.10	88
FY 55*	18	16	89%	0	(5)	2	19	30.51	0.10	2
TV	1,290	1,144	89%	0	0	288	856	30.51	0.10	84
Present Value of Explicit Period Cash Flows										**13,419**
Present Value of Terminal Period (TV) Cash Flows										**1,071**
Enterprise Value										**14,489**

**5th April 2054*

Appendix 2.9: Valuation of ENICL as on 30th September 2023 under the DCF Method

WACC **8.3%**
TV WACC **11.8%**

INR Mn

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	748	703	94%	0	(21)	0	724	0.25	0.98	710
2025	1507	1430	95%	0	3	0	1428	1.00	0.92	1319
2026	1514	1436	95%	0	2	0	1434	2.00	0.85	1224
2027	1523	1442	95%	0	2	0	1440	3.00	0.79	1135
2028	1531	1448	95%	0	1	0	1447	4.00	0.73	1054
2029	1540	1455	94%	0	3	0	1452	5.00	0.67	977
2030	1549	1462	94%	0	2	305	1154	6.00	0.62	717
2031	1559	1469	94%	0	2	334	1133	7.00	0.57	650
2032	1570	1477	94%	0	1	341	1134	8.00	0.53	602
2033	1581	1485	94%	0	3	348	1134	9.00	0.49	555
2034	1592	1494	94%	0	3	354	1137	10.00	0.45	515
2035	1604	1503	94%	0	3	360	1141	11.00	0.42	477
2036**	930	871	94%	0	(0)	203	668	11.79	0.39	262
TV	0	0	0%	0	0	0	582	11.79	0.27	155
Present Value of Explicit Period Cash Flows										**10,197**
Present Value of Terminal Period (TV) Cash Flows										**1,312**
Enterprise Value										**11,509**

** 27th October 2035

Appendix 2.10: Valuation of GPTL as on 30th September 2023 under the DCF Method

WACC 7.8% INR Mn

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	716	572	80%	0	10	0	562	0.25	0.98	551
2025	1,396	1,286	92%	0	(8)	0	1,293	1.00	0.93	1,199
2026	1,365	1,250	92%	0	(8)	0	1,258	2.00	0.86	1,082
2027	1,335	1,215	91%	0	(8)	0	1,223	3.00	0.80	975
2028	1,305	1,180	90%	0	(9)	0	1,189	4.00	0.74	879
2029	1,277	1,146	90%	0	(7)	0	1,153	5.00	0.69	791
2030	1,249	1,113	89%	0	(8)	41	1,079	6.00	0.64	686
2031	1,222	1,080	88%	0	(7)	204	884	7.00	0.59	521
2032	1,195	1,048	88%	0	(8)	206	850	8.00	0.55	465
2033	1,170	1,016	87%	0	(6)	207	816	9.00	0.51	414
2034	1,145	985	86%	0	(7)	206	786	10.00	0.47	369
2035	1,120	954	85%	0	(7)	205	756	11.00	0.44	330
2036	1,109	935	84%	0	(4)	205	735	12.00	0.40	297
2037	1,108	928	84%	0	(0)	208	720	13.00	0.37	270
2038	1,110	923	83%	0	(0)	210	712	14.00	0.35	248
2039	1,113	917	82%	0	(0)	212	705	15.00	0.32	227
2040	1,115	911	82%	0	(1)	214	698	16.00	0.30	209
2041	1,117	905	81%	0	1	214	690	17.00	0.28	191
2042	1,120	899	80%	0	(0)	215	684	18.00	0.26	176
2043	1,123	892	79%	0	(0)	215	678	19.00	0.24	162
2044	1,126	885	79%	0	(1)	215	672	20.00	0.22	148
2045	1,129	878	78%	0	0	214	664	21.00	0.21	136
2046	1,132	871	77%	0	(0)	213	658	22.00	0.19	125
2047	1,135	863	76%	0	(0)	212	651	23.00	0.18	115
2048	1,138	856	75%	0	(1)	211	645	24.00	0.16	106
2049	1,142	847	74%	0	0	210	637	25.00	0.15	97
2050	1,146	839	73%	0	(0)	208	631	26.00	0.14	89
2051	1,150	830	72%	0	(0)	206	624	27.00	0.13	81
2052	1,154	821	71%	0	(1)	204	617	28.00	0.12	75
2053	1,158	811	70%	0	0	202	609	29.00	0.11	68
2054	1,149	788	69%	0	(4)	197	595	30.00	0.10	62
2055*	1,168	791	68%	0	3	198	590	31.00	0.10	57
TV	1,168	791	68%	5	0	199	587	31.00	0.10	57
Present Value of Explicit Period Cash Flows										**11,200**
Present Value of Terminal Period (TV) Cash Flows										**722**
Enterprise Value										**11,922**

**31st March 2055*

Appendix 2.11: Valuation of NERTL as on 30th September 2023 under the DCF Method

WACC 7.8% **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	2607	2431	93%	0	306	0	2125	0.25	0.98	2086
2025	4865	4609	95%	195	16	0	4399	1.00	0.93	4082
2026	4763	4498	94%	0	(26)	0	4525	2.00	0.86	3896
2027	4763	4488	94%	0	(1)	0	4489	3.00	0.80	3587
2028	4662	4376	94%	0	(27)	0	4402	4.00	0.74	3265
2029	4561	4263	93%	0	(27)	429	3861	5.00	0.69	2657
2030	4459	4150	93%	0	(27)	748	3429	6.00	0.64	2190
2031	4358	4037	93%	0	(27)	764	3299	7.00	0.59	1956
2032	4260	3926	92%	0	(26)	774	3178	8.00	0.55	1748
2033	5396	5049	94%	0	284	1089	3676	9.00	0.51	1876
2034	5483	5123	93%	0	21	1134	3968	10.00	0.47	1879
2035	5568	5194	93%	0	20	1176	3998	11.00	0.44	1757
2036	5600	5211	93%	0	7	1200	4005	12.00	0.41	1633
2037	5722	5318	93%	0	29	1243	4045	13.00	0.38	1531
2038	5813	5393	93%	0	21	1276	4095	14.00	0.35	1438
2039	5808	5371	92%	0	(3)	1283	4091	15.00	0.33	1334
2040	5802	5349	92%	0	(3)	1288	4064	16.00	0.30	1229
2041	5795	5324	92%	0	(3)	1290	4037	17.00	0.28	1133
2042	5787	5297	92%	0	(4)	1291	4010	18.00	0.26	1045
2043	5873	5365	91%	0	20	1314	4030	19.00	0.24	974
2044	5900	5372	91%	0	5	1322	4045	20.00	0.22	908
2045	5888	5339	91%	0	(5)	1318	4026	21.00	0.21	838
2046	5874	5303	90%	0	(6)	1313	3996	22.00	0.19	772
2047	5858	5265	90%	0	(6)	1306	3965	23.00	0.18	711
2048	5839	5223	89%	0	(7)	1299	3932	24.00	0.17	654
2049	5818	5178	89%	0	(8)	1290	3896	25.00	0.15	602
2050	5775	5110	88%	0	(13)	1275	3849	26.00	0.14	551
2051	5775	5084	88%	0	(2)	1270	3817	27.00	0.13	507
2052	5775	5057	88%	0	(3)	1264	3795	28.00	0.12	468
2053	5775	5029	87%	0	(3)	1259	3773	29.00	0.11	432
2054	5775	5000	87%	0	(3)	1252	3750	30.00	0.11	398
2055	5775	4970	86%	0	(3)	1246	3727	31.00	0.10	367
2056*	4885	4048	83%	0	(7)	1014	3041	32.00	0.09	278
TV	5775	4906	85%	0	0	1235	3671	32.00	0.09	336
Present Value of Explicit Period Cash Flows										**48,785**
Present Value of Terminal Period (TV) Cash Flows										**4,329**
Enterprise Value										**53,114**

**30th March 2056*

Appendix 2.12: Valuation of RSTCPL as on 30th September 2023 under the DCF Method

WACC 8.4% **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	180	167	93%	0	(13)	0	180	0.25	0.98	176
2025	264	244	93%	0	(25)	0	269	1.00	0.92	248
2026	264	247	93%	0	(0)	0	247	2.00	0.85	210
2027	264	245	93%	0	(0)	0	245	3.00	0.78	192
2028	264	245	93%	0	(0)	0	245	4.00	0.72	177
2029	264	244	92%	0	(0)	0	244	5.00	0.67	163
2030	264	243	92%	0	(0)	0	243	6.00	0.62	150
2031	264	242	92%	0	(0)	0	242	7.00	0.57	137
2032	264	241	91%	0	(0)	0	241	8.00	0.52	126
2033	264	240	91%	0	(0)	0	240	9.00	0.48	116
2034	264	239	91%	0	(0)	19	220	10.00	0.44	98
2035	264	238	90%	0	(0)	55	183	11.00	0.41	75
2036	264	237	90%	0	(0)	56	182	12.00	0.38	69
2037	264	236	89%	0	(0)	56	180	13.00	0.35	63
2038	264	235	89%	0	(0)	56	179	14.00	0.32	58
2039	264	233	88%	0	(0)	56	177	15.00	0.30	53
2040	264	232	88%	0	(0)	56	176	16.00	0.27	48
2041	264	230	87%	0	(0)	56	174	17.00	0.25	44
2042	264	229	87%	0	(0)	56	173	18.00	0.23	40
2043	264	227	86%	0	(0)	56	172	19.00	0.21	37
2044	264	226	86%	0	(0)	56	170	20.00	0.20	34
2045	264	224	85%	0	(0)	55	169	21.00	0.18	31
2046	264	223	84%	0	(0)	55	168	22.00	0.17	28
2047	264	220	83%	0	(0)	55	166	23.00	0.16	26
2048	264	219	83%	0	(0)	54	165	24.00	0.14	24
2049*	203	167	82%	0	1	41	125	24.88	0.13	17
TV	264	217	82%	0	0	55	162	24.88	0.13	22
Present Value of Explicit Period Cash Flows										**2,438**
Present Value of Terminal Period (TV) Cash Flows										**256**
Enterprise Value										**2,694**

**30th March 2049*

Appendix 2.13: Valuation of KTL as on 30th September 2023 under the DCF Method

WACC 7.9% INR Mn

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	913	791	87%	178	(8)	0	621	0.25	0.98	610
2025	1793	1693	94%	0	(14)	0	1707	1.00	0.93	1582
2026	1752	1651	94%	0	(10)	0	1661	2.00	0.86	1426
2027	1713	1609	94%	0	(10)	0	1619	3.00	0.80	1288
2028	1674	1568	94%	0	(10)	0	1578	4.00	0.74	1163
2029	1637	1528	93%	0	(10)	0	1538	5.00	0.68	1051
2030	1600	1490	93%	0	(9)	0	1499	6.00	0.63	949
2031	1565	1452	93%	0	(9)	0	1461	7.00	0.59	857
2032	1530	1415	92%	0	(9)	129	1295	8.00	0.54	704
2033	1496	1378	92%	0	(9)	246	1142	9.00	0.50	575
2034	1464	1343	92%	0	(8)	252	1100	10.00	0.47	513
2035	1432	1309	91%	0	(8)	256	1061	11.00	0.43	459
2036	1420	1294	91%	0	(3)	264	1034	12.00	0.40	414
2037	1422	1294	91%	0	0	273	1021	13.00	0.37	379
2038	1424	1293	91%	0	0	280	1012	14.00	0.34	348
2039	1426	1292	91%	0	0	287	1005	15.00	0.32	320
2040	1428	1291	90%	0	0	293	999	16.00	0.30	295
2041	1431	1291	90%	0	0	297	993	17.00	0.27	272
2042	1433	1290	90%	0	0	301	989	18.00	0.25	251
2043	1435	1290	90%	0	0	305	985	19.00	0.23	231
2044	1438	1289	90%	0	0	307	981	20.00	0.22	214
2045	1441	1289	89%	0	0	310	978	21.00	0.20	197
2046	1444	1288	89%	0	0	312	976	22.00	0.19	182
2047	1447	1288	89%	0	0	314	974	23.00	0.17	169
2048	1450	1288	89%	0	0	315	972	24.00	0.16	156
2049	1453	1288	89%	0	1	317	971	25.00	0.15	144
2050	1457	1288	88%	0	1	318	969	26.00	0.14	134
2051	1461	1288	88%	0	1	319	969	27.00	0.13	124
2052	1464	1288	88%	0	1	320	968	28.00	0.12	114
2053	1468	1288	88%	0	1	320	967	29.00	0.11	106
2054	1467	1283	87%	0	(1)	320	964	30.00	0.10	98
2055*	492	429	87%	0	(0)	105	325	30.67	0.10	31
TV	1473	1285	87%	0	0	323	961	30.67	0.10	93
Present Value of Explicit Period Cash Flows										**15,353**
Present Value of Terminal Period (TV) Cash Flows										**1,171**
Enterprise Value										**16,524**

**30th July 2054*

Appendix 2.14: Valuation of JKTPL as on 30th September 2023 under the DCF Method

WACC	7.6%									INR Mn
Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6m 2024	237	188	79%	0	(62)	0	250	0.25	0.98	245
2025	491	412	84%	0	1	0	411	1.00	0.93	382
2026	484	402	83%	0	(1)	10	393	2.00	0.86	340
2027	476	392	82%	0	(1)	85	308	3.00	0.80	247
2028	469	382	81%	0	(1)	85	298	4.00	0.75	222
2029	462	372	80%	0	(1)	84	289	5.00	0.69	200
2030	456	362	79%	0	(1)	83	280	6.00	0.64	180
2031	449	352	78%	0	(1)	81	271	7.00	0.60	162
2032	443	342	77%	0	(1)	80	263	8.00	0.56	146
2033	437	332	76%	0	(1)	78	255	9.00	0.52	131
2034	431	322	75%	0	(1)	77	247	10.00	0.48	118
2035	425	313	74%	0	(1)	75	239	11.00	0.45	106
2036	420	303	72%	0	(1)	73	231	12.00	0.41	95
2037	414	293	71%	0	(1)	71	223	13.00	0.38	86
2038	409	284	69%	0	(1)	69	215	14.00	0.36	77
2039	404	274	68%	0	(1)	67	208	15.00	0.33	69
2040	399	264	66%	0	(1)	65	200	16.00	0.31	62
2041	394	254	65%	0	(1)	63	193	17.00	0.29	55
2042	389	245	63%	0	(1)	60	185	18.00	0.27	49
2043	385	235	61%	0	(1)	58	178	19.00	0.25	44
2044	380	225	59%	0	(1)	56	170	20.00	0.23	39
2045	376	215	57%	0	(1)	53	162	21.00	0.21	35
2046*	212	117	55%	0	0	29	88	21.78	0.20	18
Present Value of Explicit Period Cash Flows										**3,107**
Present Value of Terminal Period (TV) Cash Flows*										**-**
Enterprise Value										**3,107**

**25th October 2045*

**JKTPL is awarded on DBFOT basis, hence no terminal value is considered

Appendix 2.15: Valuation of PrKTCL as on 30th September 2023 under the DCF Method

WACC 7.9% **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	599	539	90%	100	100	62	277	0.25	0.98	272
2025	1244	1137	91%	0	(11)	115	1032	1.00	0.93	957
2026	1197	1084	91%	0	(12)	106	990	2.00	0.86	850
2027	966	848	88%	0	(58)	98	808	3.00	0.80	643
2028	747	625	84%	0	(56)	93	587	4.00	0.74	433
2029	737	613	83%	0	(3)	91	525	5.00	0.68	358
2030	690	557	81%	0	(12)	82	487	6.00	0.63	308
2031	691	557	81%	0	(0)	81	476	7.00	0.59	279
2032	692	553	80%	0	(0)	81	472	8.00	0.54	256
2033	694	548	79%	0	(0)	80	468	9.00	0.50	236
2034	695	543	78%	0	(0)	79	464	10.00	0.47	217
2035	697	539	77%	0	(0)	79	460	11.00	0.43	199
2036	698	518	74%	0	(0)	78	440	12.00	0.40	176
2037	700	538	77%	0	(0)	77	462	13.00	0.37	171
2038	790	623	79%	0	22	174	426	14.00	0.34	147
2039	792	617	78%	0	(0)	174	443	15.00	0.32	141
2040	793	611	77%	0	(0)	174	437	16.00	0.30	129
2041	795	605	76%	0	(0)	174	432	17.00	0.27	118
2042	797	599	75%	0	(0)	173	426	18.00	0.25	108
2043	799	592	74%	0	(0)	172	420	19.00	0.23	99
2044	801	585	73%	0	(0)	171	414	20.00	0.22	90
2045	803	577	72%	0	(0)	169	408	21.00	0.20	82
2046	805	569	71%	0	(0)	168	401	22.00	0.19	75
2047	807	561	69%	0	(0)	166	395	23.00	0.17	68
2048	809	551	68%	0	(0)	164	387	24.00	0.16	62
2049	812	542	67%	0	(0)	162	380	25.00	0.15	56
2050*	396	242	61%	0	(13)	145	111	25.76	0.14	16
TV	761	466	61%	0	0	138	328	25.76	0.14	46
Present Value of Explicit Period Cash Flows										**6,545**
Present Value of Terminal Period (TV) Cash Flows										**579**
Enterprise Value										**7,124**

** 7th October 2049*

Appendix 2.16: Valuation of ISPL 1 as on 30th September 2023 under the DCF Method

WACC **8.1%** **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	Net Inflow from SECI	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	242	205	85%	0	(20)	0	42	183	0.25	0.98	180
FY25	475	400	84%	0	(1)	0	-21	421	1.00	0.93	390
FY26	472	394	83%	0	(1)	0	-21	416	2.00	0.86	356
FY27	467	386	83%	0	(2)	0	-32	420	3.00	0.79	332
FY28	466	381	82%	0	(1)	14	-16	384	4.00	0.73	281
FY29	462	374	81%	0	(1)	31	-16	359	5.00	0.68	244
FY30	457	365	80%	0	(2)	76	-16	306	6.00	0.63	192
FY31	454	359	79%	0	(1)	88	-16	288	7.00	0.58	167
FY32	453	354	78%	0	(1)	86	-16	284	8.00	0.54	153
FY33	446	343	77%	105	(2)	82	-5	163	9.00	0.50	81
FY34	444	337	76%	0	(1)	80	0	258	10.00	0.46	119
FY35	441	330	75%	0	(1)	78	0	252	11.00	0.43	108
FY36	437	321	73%	0	(2)	79	0	244	12.00	0.39	96
FY37	433	313	72%	0	(1)	77	0	237	13.00	0.36	86
FY38	431	305	71%	0	(1)	75	0	232	14.00	0.34	78
FY39	428	298	70%	0	(1)	73	0	226	15.00	0.31	71
FY40	424	288	68%	0	(2)	71	0	220	16.00	0.29	63
FY41	420	279	66%	0	(1)	68	0	212	17.00	0.27	57
FY42	418	271	65%	0	(1)	66	0	206	18.00	0.25	51
FY43	415	262	63%	0	(1)	64	0	200	19.00	0.23	46
FY44*	127	78	61%	0	(1)	18	0	61	19.65	0.22	13
Present Value of Explicit Period Cash Flows											**3164**
Present Value of Terminal Period (TV) Cash Flows											**60**
Enterprise Value											**3,223**

** 21st July 2044*

** Terminal value represents the sale of scrap and release of working capital

Appendix 2.17: Valuation of ISPL 2 as on 30th September 2023 under the DCF Method

WACC 8.1% INR Mn

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	Net Inflow from SECI	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	244	203	83%	0	(9)	0	38	174	0.25	0.98	170
FY25	492	419	85%	0	(1)	0	-21	440	1.00	0.93	407
FY26	486	410	84%	0	(2)	0	-37	448	2.00	0.86	383
FY27	483	403	83%	0	(1)	0	-33	437	3.00	0.79	346
FY28	482	398	83%	0	(1)	2	-16	413	4.00	0.73	302
FY29	478	390	82%	0	(1)	34	-16	373	5.00	0.68	253
FY30	475	383	81%	0	(1)	32	-16	368	6.00	0.63	231
FY31	473	376	80%	0	(1)	47	-16	346	7.00	0.58	201
FY32	471	370	79%	0	(1)	90	-16	297	8.00	0.54	159
FY33	467	362	77%	105	(1)	86	-13	185	9.00	0.50	92
FY34	465	354	76%	0	(1)	84	0	271	10.00	0.46	124
FY35	462	346	75%	0	(1)	82	0	265	11.00	0.42	113
FY36	461	339	74%	0	(1)	80	0	260	12.00	0.39	102
FY37	457	329	72%	0	(1)	81	0	250	13.00	0.36	91
FY38	454	320	71%	0	(1)	79	0	243	14.00	0.34	82
FY39	451	311	69%	0	(1)	76	0	236	15.00	0.31	73
FY40	450	303	67%	0	(1)	74	0	230	16.00	0.29	66
FY41	446	292	66%	0	(1)	72	0	222	17.00	0.27	59
FY42	443	282	64%	0	(1)	69	0	215	18.00	0.25	53
FY43	440	272	62%	0	(1)	66	0	207	19.00	0.23	47
FY44*	366	218	60%	0	(1)	53	0	167	19.92	0.21	35
Present Value of Explicit Period Cash Flows											**3390**
Present Value of Terminal Period (TV) Cash Flows											**59**
Enterprise Value											**3,449**

** 21st July 2043*

**Terminal value represents the sale of scrap and release of working capital

Appendix 2.18: Valuation of TNSEPL as on 30th September 2023 under the DCF Method

WACC **8.2%** **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	34	21	61%	-	(74)	-	95	0.25	0.98	93
FY25	281	257	91%	1	(36)	-	291	1.00	0.92	269
FY26	293	268	92%	5	(37)	1	299	2.00	0.85	255
FY27	292	269	92%	5	(12)	1	276	3.00	0.79	218
FY28	292	269	92%	5	(0)	1	263	4.00	0.73	192
FY29	281	258	92%	3	(0)	45	210	5.00	0.67	141
FY30	280	256	91%	-	(0)	56	201	6.00	0.62	125
FY31	279	255	91%	-	(0)	56	199	7.00	0.58	115
FY32	279	255	91%	-	(0)	57	197	8.00	0.53	105
FY33	278	253	91%	-	(0)	58	195	9.00	0.49	96
FY34	277	251	91%	-	(0)	58	193	10.00	0.46	88
FY35	276	250	91%	-	(0)	59	192	11.00	0.42	81
FY36	276	250	90%	-	(0)	59	191	12.00	0.39	74
FY37	275	248	90%	-	(0)	59	189	13.00	0.36	68
FY38	274	246	90%	-	(0)	59	187	14.00	0.33	62
FY39	273	245	90%	-	(0)	59	186	15.00	0.31	57
FY40	273	245	90%	-	(0)	59	185	16.00	0.28	53
FY41*	160	143	89%	-	(0)	34	109	16.79	0.27	29
Present Value of Explicit Period Cash Flows										**2122**
Present Value of Terminal Cash Flows**										**66**
Enterprise Value										**2188**

**01-Nov-40*

*** Present value of terminal cashflow consist of release of working capital, sale of Land and Scrap.*

Appendix 2.19: Valuation of UMD as on 30th September 2023 under the DCF Method

WACC	8.2%									INR Mn
Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	52	38	74%	-	(79)	-	117	0.25	0.98	114
FY25	304	277	91%	-	(44)	29	292	1.00	0.92	270
FY26	316	289	91%	5	(48)	30	301	2.00	0.85	257
FY27	316	290	92%	5	(16)	30	271	3.00	0.79	214
FY28	316	290	92%	5	(0)	34	252	4.00	0.73	183
FY29	304	278	91%	5	(0)	45	228	5.00	0.67	154
FY30	303	276	91%	-	(0)	44	232	6.00	0.62	144
FY31	302	275	91%	-	(0)	44	231	7.00	0.57	133
FY32	302	274	91%	-	(0)	44	230	8.00	0.53	122
FY33	300	272	91%	-	(0)	44	229	9.00	0.49	112
FY34	300	271	90%	-	(0)	43	227	10.00	0.45	103
FY35	299	269	90%	-	(0)	43	226	11.00	0.42	95
FY36	299	268	90%	-	(0)	43	226	12.00	0.39	87
FY37	297	266	90%	-	(0)	43	224	13.00	0.36	80
FY38	296	265	89%	-	(0)	42	222	14.00	0.33	74
FY39	295	263	89%	-	(0)	42	221	15.00	0.31	68
FY40	295	262	89%	-	(0)	57	205	16.00	0.28	58
FY41*	237	210	89%	-	(0)	51	159	16.90	0.26	42
Present Value of Explicit Period Cash Flows										**2309**
Present Value of Terminal Cash Flows**										**72**
Enterprise Value										**2381**

**20-Jan-41*

*** Present value of terminal cashflow consist of release of working capital, sale of Land and Scrap.*

Appendix 2.20: Valuation of TL Kanji as on 30th September 2023 under the DCF Method

WACC 8.2% **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	136	112	82%	39	(48)	5	116	0.25	0.98	113
FY25	520	487	94%	-	(39)	57	469	1.00	0.92	434
FY26	540	506	94%	6	(42)	59	483	2.00	0.85	412
FY27	535	504	94%	6	(15)	59	455	3.00	0.79	359
FY28	443	412	93%	6	(23)	43	386	4.00	0.73	282
FY29	425	394	93%	6	(0)	63	325	5.00	0.67	219
FY30	424	392	92%	-	(0)	63	329	6.00	0.62	205
FY31	423	390	92%	-	(0)	62	328	7.00	0.58	189
FY32	423	389	92%	0	(0)	62	327	8.00	0.53	174
FY33	421	386	92%	2	(0)	62	323	9.00	0.49	159
FY34	419	385	92%	2	(0)	61	322	10.00	0.45	146
FY35	418	383	92%	2	(0)	61	320	11.00	0.42	135
FY36	418	382	91%	2	(0)	61	320	12.00	0.39	124
FY37	416	379	91%	-	(0)	61	319	13.00	0.36	114
FY38	415	377	91%	-	(0)	60	317	14.00	0.33	105
FY39	413	375	91%	-	(0)	60	316	15.00	0.31	97
FY40	412	373	91%	-	(1)	60	314	16.00	0.28	89
FY41*	353	324	92%	-	(11)	74	262	16.99	0.26	69
Present Value of Explicit Period Cash Flows										**3425**
Present Value of Terminal Cash Flows**										**214**
Enterprise Value										**3640**

**26-Mar-41*

*** Present value of terminal cashflow consist of release of working capital, sale of Land and Scrap.*

Appendix 2.21: Valuation of TL Raj as on 30th September 2023 under the DCF Method

WACC **7.9%** **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	145	130	89%	-	(33)	-	162	0.25	0.98	159
FY25	308	271	88%	-	(37)	6	301	1.00	0.93	279
FY26	290	252	87%	-	(39)	38	254	2.00	0.86	218
FY27	289	254	88%	-	(13)	42	225	3.00	0.80	180
FY28	289	254	88%	5	(0)	44	205	4.00	0.74	151
FY29	288	251	87%	10	(0)	46	196	5.00	0.69	134
FY30	287	250	87%	10	(0)	48	193	6.00	0.64	122
FY31	286	248	87%	10	(0)	49	190	7.00	0.59	112
FY32	286	248	87%	5	(0)	50	193	8.00	0.55	105
FY33	284	245	86%	-	(0)	51	194	9.00	0.51	98
FY34	283	244	86%	-	(0)	52	192	10.00	0.47	90
FY35	282	242	86%	-	(0)	53	190	11.00	0.44	83
FY36	282	241	85%	-	(0)	53	188	12.00	0.40	76
FY37	281	239	85%	-	(0)	54	186	13.00	0.37	69
FY38	280	237	85%	-	(0)	54	184	14.00	0.35	64
FY39	279	235	84%	-	(0)	54	182	15.00	0.32	58
FY40	279	234	84%	-	(0)	54	181	16.00	0.30	54
FY41	278	232	84%	-	(0)	54	179	17.00	0.28	49
FY42	277	230	83%	-	(0)	54	177	18.00	0.26	45
FY43	276	229	83%	-	(0)	54	175	19.00	0.24	42
FY44*	138	114	82%	-	(0)	26	88	19.75	0.22	20
Present Value of Explicit Period Cash Flows										**2210**
Present Value of Terminal Cash Flows**										**18**
Enterprise Value										**2228**

**30-Sep-43*

*** Present value of terminal cashflow consist of release of working capital, sale of Land and Scrap.*

Appendix 2.22: Valuation of Solar Edge as on 30th September 2023 under the DCF Method

WACC **8.2%** **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	674	595	88%	40	35	4	516	0.25	0.98	506
FY25	1,248	1,099	88%	-	(46)	10	1,135	1.00	0.92	1048
FY26	1,192	1,042	87%	-	(25)	4	1,062	2.00	0.85	907
FY27	1,188	1,049	88%	-	(24)	4	1,068	3.00	0.79	843
FY28	1,187	1,047	88%	20	(25)	5	1,048	4.00	0.73	764
FY29	1,180	1,038	88%	26	(6)	5	1,014	5.00	0.67	683
FY30	1,176	1,033	88%	26	(1)	118	890	6.00	0.62	554
FY31	1,172	1,028	88%	26	(1)	204	798	7.00	0.58	459
FY32	1,172	1,025	88%	6	(1)	211	809	8.00	0.53	430
FY33	1,165	1,017	87%	-	(1)	215	803	9.00	0.49	395
FY34	1,161	1,011	87%	-	(1)	219	794	10.00	0.45	360
FY35	1,157	1,006	87%	-	(1)	222	786	11.00	0.42	329
FY36	1,157	1,004	87%	-	(1)	225	780	12.00	0.39	302
FY37	1,150	995	87%	-	(1)	226	771	13.00	0.36	276
FY38	1,146	990	86%	-	(1)	227	764	14.00	0.33	253
FY39	1,143	984	86%	-	(1)	228	758	15.00	0.31	232
FY40	1,142	982	86%	-	(1)	229	754	16.00	0.28	213
FY41	1,135	973	86%	-	(1)	228	746	17.00	0.26	195
FY42	1,132	968	85%	-	(1)	228	741	18.00	0.24	179
FY43	1,128	962	85%	-	(1)	228	735	19.00	0.22	164
FY44*	55	47	85%	-	(1)	6	43	19.52	0.21	9
Present Value of Explicit Period Cash Flows										**9101**
Present Value of Terminal Cash Flows**										**427**
Enterprise Value										**9528**

**18-Apr-43*

*** Present value of terminal cashflow consist of release of working capital, sale of Land and Scrap.*

Appendix 2.23: Valuation of TL Charanka as on 30th September 2023 under the DCF Method

WACC 8.0% **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	117	104	89%	10	(31)	-	125	0.25	0.98	123
FY25	148	128	86%	-	(7)	-	134	1.00	0.93	124
FY26	152	131	86%	-	(1)	12	121	2.00	0.86	103
FY27	151	132	88%	-	0	30	102	3.00	0.79	81
FY28	151	132	87%	-	(0)	30	102	4.00	0.73	75
FY29	135	116	86%	-	(0)	28	88	5.00	0.68	60
FY30	134	114	86%	-	(0)	28	87	6.00	0.63	55
FY31	133	113	85%	-	(0)	27	86	7.00	0.58	50
FY32	132	112	85%	-	(0)	27	85	8.00	0.54	46
FY33	131	111	85%	-	(0)	27	84	9.00	0.50	42
FY34	130	109	84%	-	(0)	26	83	10.00	0.46	39
FY35	129	108	84%	-	(0)	26	82	11.00	0.43	35
FY36	128	107	84%	-	(0)	26	82	12.00	0.40	32
FY37*	126	105	83%	-	(0)	25	80	13.00	0.37	29
Present Value of Explicit Period Cash Flows										**895**
Present Value of Terminal Cash Flows										**37**
Enterprise Value										**933**

**28-Mar-37*

*** Present value of terminal cashflow consist of release of working capital, sale of Land and Scrap.*

Appendix 2.24: Valuation of TL Tinwari as on 30th September 2023 under the DCF Method

WACC **7.8%** **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	81	72	89%	1	2	8	60	0.25	0.98	59
FY25	159	145	91%	1	2	23	118	1.00	0.93	110
FY26	165	150	91%	1	(0)	24	125	2.00	0.86	108
FY27	164	150	92%	1	(0)	36	113	3.00	0.80	90
FY28	163	149	91%	-	(0)	36	113	4.00	0.74	84
FY29	155	141	91%	-	(0)	35	106	5.00	0.69	73
FY30	154	140	91%	-	(0)	35	105	6.00	0.64	67
FY31	153	138	90%	-	(0)	34	104	7.00	0.59	61
FY32	152	137	90%	-	(0)	34	103	8.00	0.55	57
FY33	150	135	90%	-	(0)	33	102	9.00	0.51	52
FY34	149	134	90%	-	(0)	33	101	10.00	0.47	47
FY35	148	132	89%	-	(0)	33	99	11.00	0.44	43
FY36	147	131	89%	-	(0)	32	99	12.00	0.41	40
FY37*	79	70	89%	-	(0)	17	53	12.77	0.38	20
Present Value of Explicit Period Cash Flows										**912**
Present Value of Terminal Cash Flows**										**23**
Enterprise Value										**935**

**15-Oct-36*

*** Present value of terminal cashflow consist of release of working capital, sale of Land and Scrap.*

Appendix 2.25: Valuation of PLG as on 30th September 2023 under the DCF Method

WACC 8.7% **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	192	178	92%	14	(25)	-	188	0.25	0.98	185
FY25	158	136	86%	-	(18)	-	154	1.00	0.92	141
FY26	182	159	88%	-	(0)	3	157	2.00	0.85	133
FY27	181	161	89%	-	0	3	158	3.00	0.78	123
FY28	181	160	89%	-	(0)	3	158	4.00	0.72	113
FY29	158	137	87%	-	(0)	1	137	5.00	0.66	90
FY30	157	136	87%	-	(0)	1	135	6.00	0.61	82
FY31	155	134	86%	-	(0)	1	134	7.00	0.56	74
FY32	155	133	86%	-	(0)	18	115	8.00	0.51	59
FY33	153	131	86%	-	(0)	32	100	9.00	0.47	47
FY34	152	130	86%	-	(0)	32	98	10.00	0.43	43
FY35	151	129	85%	-	(0)	31	97	11.00	0.40	39
FY36	150	128	85%	-	(0)	31	97	12.00	0.37	35
FY37*	122	104	85%	-	(0)	25	79	12.91	0.34	27
Present Value of Explicit Period Cash Flows										**1190**
Present Value of Terminal Cash Flows										**144**
Enterprise Value										**1334**

**26-Jan-37*

*** Present value of terminal cashflow consist of release of working capital, sale of Land and Scrap.*

Appendix 2.26: Valuation of USUPL as on 30th September 2023 under the DCF Method

WACC 7.9% **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	442	395	89%	82	22	-	291	0.25	0.98	286
FY25	846	793	94%	8	0	-	785	1.00	0.93	728
FY26	882	829	94%	-	(0)	184	645	2.00	0.86	555
FY27	847	798	94%	3	0	183	612	3.00	0.80	488
FY28	845	796	94%	6	(0)	185	605	4.00	0.74	447
FY29	655	606	92%	6	(15)	139	476	5.00	0.69	326
FY30	499	449	90%	6	(13)	101	355	6.00	0.64	225
FY31	493	442	90%	3	(1)	101	339	7.00	0.59	200
FY32	488	437	89%	-	(1)	101	337	8.00	0.55	184
FY33	481	429	89%	-	(1)	100	330	9.00	0.51	167
FY34	475	422	89%	-	(1)	99	324	10.00	0.47	152
FY35	469	416	89%	-	(1)	98	318	11.00	0.44	138
FY36	464	410	88%	-	(1)	98	313	12.00	0.40	126
FY37	457	402	88%	-	(1)	96	307	13.00	0.37	115
FY38	426	371	87%	-	(3)	89	285	14.00	0.35	99
FY39	178	145	81%	-	(19)	32	131	15.00	0.32	42
FY40	177	144	81%	-	(0)	32	111	16.00	0.30	33
FY41	175	141	81%	-	(0)	32	109	17.00	0.28	30
FY42*	81	65	80%	-	(0)	14	51	17.73	0.26	13
Present Value of Explicit Period Cash Flows										**4356**
Present Value of Terminal Cash Flows**										**130**
Enterprise Value										**4486**

**15-Sep-41*

*** Present value of terminal cashflow consist of release of working capital, sale of Land and Scrap.*

Appendix 2.27: Valuation of Globus as on 30th September 2023 under the DCF Method

WACC **8.0%** **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	139	124	89%	-	13	-	111	0.25	0.98	109
FY25	250	220	88%	-	(4)	-	224	1.00	0.93	208
FY26	270	239	89%	4	(0)	2	233	2.00	0.86	200
FY27	267	239	89%	4	0	24	211	3.00	0.79	167
FY28	266	237	89%	4	(1)	41	193	4.00	0.73	142
FY29	246	217	88%	4	(1)	38	176	5.00	0.68	119
FY30	244	214	88%	-	(1)	37	177	6.00	0.63	112
FY31	241	211	87%	-	(1)	36	175	7.00	0.58	102
FY32	239	208	87%	-	(1)	36	173	8.00	0.54	93
FY33	236	205	87%	-	(1)	35	171	9.00	0.50	85
FY34	234	202	86%	-	(1)	34	168	10.00	0.46	78
FY35	231	198	86%	-	(1)	33	166	11.00	0.43	71
FY36	229	196	85%	-	(1)	32	164	12.00	0.40	65
FY37	226	192	85%	-	(1)	47	146	13.00	0.37	53
FY38	224	189	84%	-	(1)	46	143	14.00	0.34	49
FY39	222	186	84%	-	(1)	46	141	15.00	0.31	44
FY40	220	183	83%	-	(1)	45	139	16.00	0.29	40
FY41*	181	150	83%	-	(1)	37	114	16.92	0.27	31
Present Value of Explicit Period Cash Flows										**1767**
Present Value of Terminal Cash Flows**										**114**
Enterprise Value										**1881**

**29-Jan-41*

*** Present value of terminal cashflow consist of release of working capital, sale of Land and Scrap.*

Appendix 2.28: Valuation of TL Patlasi as on 30th September 2023 under the DCF Method

WACC **8.0%** **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	106	98	92%	-	10	-	88	0.25	0.98	86
FY25	194	176	91%	3	(4)	-	177	1.00	0.93	164
FY26	214	196	92%	4	(0)	3	190	2.00	0.86	163
FY27	213	197	92%	4	0	19	174	3.00	0.79	138
FY28	213	196	92%	4	(0)	33	159	4.00	0.73	117
FY29	193	176	91%	1	(0)	32	143	5.00	0.68	97
FY30	192	174	91%	-	(0)	34	141	6.00	0.63	89
FY31	190	172	91%	-	(0)	35	138	7.00	0.58	81
FY32	189	171	90%	-	(0)	35	136	8.00	0.54	73
FY33	187	169	90%	-	(0)	36	133	9.00	0.50	67
FY34	186	167	90%	-	(0)	36	131	10.00	0.46	61
FY35	184	165	90%	-	(0)	37	129	11.00	0.43	55
FY36	183	164	89%	-	(0)	37	127	12.00	0.40	50
FY37	181	161	89%	-	(0)	37	125	13.00	0.37	46
FY38	180	160	89%	-	(0)	37	123	14.00	0.34	42
FY39	178	158	88%	-	(0)	37	122	15.00	0.31	38
FY40	177	156	88%	-	(0)	37	120	16.00	0.29	35
FY41*	13	12	88%	-	(0)	3	10	16.08	0.29	3
Present Value of Explicit Period Cash Flows										**1404**
Present Value of Terminal Cash Flows**										**36**
Enterprise Value										**1440**

**28-Apr-40*

*** Present value of terminal cashflow consist of release of working capital, sale of Land and Scrap.*

Appendix 2.29: Valuation of TL Nangla as on 30th September 2023 under the DCF Method

WACC 7.9% **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	20	16	78%	-	(4)	1	20	0.25	0.98	19
FY25	50	45	91%	-	3	4	38	1.00	0.93	35
FY26	53	49	92%	4	(0)	4	40	2.00	0.86	35
FY27	53	49	92%	4	(0)	4	40	3.00	0.80	32
FY28	53	48	92%	4	(0)	7	37	4.00	0.74	27
FY29	49	45	91%	4	(0)	7	34	5.00	0.68	23
FY30	49	44	91%	-	(0)	7	38	6.00	0.63	24
FY31	48	44	90%	-	(0)	10	34	7.00	0.59	20
FY32	48	43	90%	-	(0)	9	34	8.00	0.54	18
FY33	47	43	90%	-	(0)	9	33	9.00	0.50	17
FY34	47	42	89%	-	(0)	9	33	10.00	0.47	15
FY35	47	42	89%	-	(0)	9	32	11.00	0.43	14
FY36	46	41	89%	-	(0)	9	32	12.00	0.40	13
FY37	46	40	88%	-	(0)	9	32	13.00	0.37	12
FY38	46	40	88%	-	(0)	9	31	14.00	0.34	11
FY39	45	39	87%	-	(0)	9	31	15.00	0.32	10
FY40*	44	38	87%	-	(0)	9	30	15.99	0.29	9
Present Value of Explicit Period Cash Flows										**334**
Present Value of Terminal Cash Flows**										**39**
Enterprise Value										**372**

**23-Mar-40*

*** Present value of terminal cashflow consist of release of working capital, sale of Land and Scrap.*

Appendix 2.30: Valuation of TL Gadna as on 30th September 2023 under the DCF Method

WACC 8.3% **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	39	28	73%	-	0	3	25	0.25	0.98	24
FY25	77	71	91%	1	4	7	59	1.00	0.92	54
FY26	83	76	92%	1	(0)	12	64	2.00	0.85	54
FY27	82	76	93%	1	0	12	64	3.00	0.79	50
FY28	82	76	92%	1	(0)	11	63	4.00	0.73	46
FY29	76	70	92%	-	(0)	11	59	5.00	0.67	40
FY30	75	69	91%	-	(0)	11	58	6.00	0.62	36
FY31	75	68	91%	-	(0)	10	58	7.00	0.57	33
FY32	74	68	91%	-	(0)	10	57	8.00	0.53	30
FY33	74	67	91%	-	(0)	10	57	9.00	0.49	28
FY34	73	66	91%	-	(0)	10	56	10.00	0.45	25
FY35	72	65	90%	-	(0)	10	55	11.00	0.42	23
FY36	72	65	90%	-	(0)	10	55	12.00	0.39	21
FY37	71	64	90%	-	(0)	10	54	13.00	0.36	19
FY38*	69	62	89%	-	(0)	9	53	13.99	0.33	17
Present Value of Explicit Period Cash Flows										**502**
Present Value of Terminal Cash Flows**										**60**
Enterprise Value										**563**

**25-Mar-38*

*** Present value of terminal cashflow consist of release of working capital, sale of Land and Scrap.*

Appendix 2.31: Valuation of GGEL as on 30th September 2023 under the DCF Method

WACC 8.0% **INR Mn**

Year	Revenue	EBITDA	EBITDA Margin	Capex	Changes in WC	Taxation	FCFF	Mid point factor	Present value factor	PV of Cash Flows
6M FY24	442	356	80%	10	(21)	-	367	0.25	0.98	360
FY25	1,003	844	84%	-	11	0	833	1.00	0.93	772
FY26	1,029	918	89%	-	4	108	806	2.00	0.86	691
FY27	1,030	927	90%	-	1	135	792	3.00	0.79	628
FY28	1,033	929	90%	-	(0)	135	794	4.00	0.74	583
FY29	1,017	910	90%	-	(0)	133	777	5.00	0.68	529
FY30	1,019	910	89%	-	(0)	151	759	6.00	0.63	478
FY31	927	815	88%	-	(8)	159	664	7.00	0.58	387
FY32	1,020	847	83%	-	2	167	677	8.00	0.54	366
FY33	1,018	901	89%	-	5	181	716	9.00	0.50	358
FY34	1,018	899	88%	-	(0)	180	719	10.00	0.46	333
FY35	1,019	896	88%	-	(0)	180	717	11.00	0.43	307
FY36	1,022	896	88%	-	(0)	180	717	12.00	0.40	285
FY37	1,019	890	87%	-	(0)	221	670	13.00	0.37	246
FY38	1,022	889	87%	-	(0)	221	669	14.00	0.34	228
FY39	220	190	87%	-	(1)	47	144	14.61	0.32	47
Present Value of Explicit Period Cash Flows										**6598**
Present Value of Incremental Tariff Increase (Note 1)										**1324**
Present Value of Terminal Cash Flows**										**198**
Enterprise Value										**8121**

**18-Jun-38*

*** Present value of terminal cashflow consist of release of working capital, sale of Land and Scrap.*

Note 1: Present Value of Incremental Tariff Increase – GGEL

WACC 12% **INR Mn.**

Year Ending	Gross Cash Inflows	Less: Taxes	Cash flows	Sellers Share	Total Cash Inflows	CAF	DF	PV of Cash Flows
FY24	-	-	-		-	0.25	0.97	-
FY25	4,084	(1,028)	3,056	(3,262)	(206)	1.00	0.89	(184)
FY26	349	(88)	261	-	261	2.00	0.80	208
FY27	349	(88)	261	-	261	3.00	0.71	186
FY28	350	(88)	262	-	262	4.00	0.64	166
FY29	349	(88)	261	-	261	5.00	0.57	148
FY30	349	(88)	261	-	261	6.00	0.51	132
FY31	349	(88)	261	-	261	7.00	0.45	118
FY32	350	(88)	262	-	262	8.00	0.40	106
FY33	349	(88)	261	-	261	9.00	0.36	94
FY34	349	(88)	261	-	261	10.00	0.32	84
FY35	349	(88)	261	-	261	11.00	0.29	75
FY36	350	(88)	262	-	262	12.00	0.26	67
FY37	349	(88)	261	-	261	13.00	0.23	60
FY38	349	(88)	261	-	261	14.00	0.20	53
FY39*	75	(19)	56	-	56	14.61	0.19	11
Present Value of Explicit Period Cashflows								**1324**
Present Value of Incrementa Tarrif Increase								**1324**

Appendix 3.1: Sensitivity analysis – Changing WACC by ±0.5%

I. Transmission Assets-

INR Mn

Sr No.	SPVs	Base WACC	EV	WACC 0.50%	EV	WACC -0.50%	EV
1	BDTCL	8.1%	19,266	8.6%	18,313	7.6%	20,337
2	JTCL	8.2%	16,331	8.7%	15,538	7.7%	17,220
3	MTL	7.9%	5,945	8.4%	5,636	7.4%	6,295
4	RTCL	7.7%	4,354	8.2%	4,150	7.2%	4,581
5	PKTCL	7.7%	6,735	8.2%	6,427	7.2%	7,080
6	PTCL	7.8%	2,593	8.3%	2,468	7.3%	2,734
7	NRSS	7.7%	44,257	8.2%	42,238	7.2%	46,526
8	OGPTL	7.9%	14,489	8.4%	13,794	7.4%	15,273
9	ENICL	8.25% to 11.94%	11,509	8.75% to 12.44%	11,171	7.75% to 11.34%	11,870
10	GPTL	7.8%	11,922	8.3%	11,379	7.3%	12,531
11	NERTL	7.8%	53,114	8.3%	50,123	7.3%	56,508
12	RSTCPL	8.4%	2,694	8.9%	2,572	7.9%	2,830
13	KTL	7.9%	16,524	8.4%	15,731	7.4%	17,417
14	JKTPL	7.6%	3,107	8.1%	3,015	7.1%	3,206
15	PrKTCL	7.9%	7,124	8.4%	6,818	7.4%	7,466
16	KLMTL	NA	2,052	NA	2,052	NA	2,052
17	SitamauSS	NA	93	NA	93	NA	93
Total of Transmission Assets (A)			**2,22,110**		**2,11,518**		**2,34,019**

II. Solar Assets-

INR Mn

Sr No.	SPVs	Base WACC	EV	WACC 0.50%	EV	WACC -0.50%	EV
18	ISPL 1	8.1%	3,223	8.6%	3,130	7.6%	3,322
19	ISPL 2	8.1%	3,449	8.6%	3,348	7.6%	3,557
20	TNSEPL	8.2%	2,188	8.7%	2,125	7.7%	2,254
21	UMD	8.2%	2,381	8.7%	2,310	7.7%	2,456
22	SP Solar	8.2%	3,640	8.7%	3,526	7.7%	3,759
23	TL Raj	7.9%	2,228	8.4%	2,159	7.4%	2,301
24	Solar Edge	8.2%	9,528	8.7%	9,220	7.7%	9,854
25	TL Charanka	8.0%	933	8.5%	911	7.5%	955
26	TL Tinwari	7.8%	935	8.3%	912	7.3%	959
27	PLG	8.7%	1,334	9.2%	1,302	8.2%	1,368
28	USUPL	7.9%	4,486	8.4%	4,377	7.4%	4,601
29	Globus	8.0%	1,881	8.5%	1,824	7.5%	1,942
30	TL Patlasi	8.0%	1,440	8.5%	1,400	7.5%	1,483
31	TL Nangla	7.9%	372	8.4%	360	7.4%	385
32	TL Gadna	8.3%	563	8.8%	546	7.8%	581
33	GGEL	8.0%	8,121	8.5%	7,935	7.5%	8,315
Total of Solar Assets (B)			**46,702**		**45,385**		**48,092**

III. Fair enterprise Value

Particulars	EV	EV (WACC +0.50%)	EV (WACC -0.50%)
Total Fair EV of Transmission Assets (A)	2,22,110	2,11,518	2,34,019
Total Fair EV of Solar Assets (B)	46,702	45,385	48,092
Total Fair Enterprise Value of SPVs (A+B)	**2,68,812**	**2,56,903**	**2,82,111**

Appendix 3.2: Sensitivity analysis – Changing WACC by ±1%

I. Transmission Assets

INR Mn

Sr No.	SPVs	Base WACC	EV	WACC +1.00%	EV	WACC -1.00%	EV
1	BDTCL	8.1%	19,266	9.1%	17,458	7.1%	21,550
2	JTCL	8.2%	16,331	9.2%	14,826	7.2%	18,224
3	MTL	7.9%	5,945	8.9%	5,360	6.9%	6,695
4	RTCL	7.7%	4,354	8.7%	3,967	6.7%	4,838
5	PKTCL	7.7%	6,735	8.7%	6,151	6.7%	7,472
6	PTCL	7.8%	2,593	8.8%	2,356	6.8%	2,895
7	NRSS	7.7%	44,257	8.7%	40,429	6.7%	49,101
8	OGPTL	7.9%	14,489	8.9%	13,172	6.9%	16,164
9	ENICL	8.25% to 11.84%	11,509	9.25% to 12.84%	10,854	7.25% to 10.84%	12,256
10	GPTL	7.8%	11,922	8.8%	10,891	6.8%	13,220
11	NERTL	7.8%	53,114	8.8%	47,469	6.8%	60,394
12	RSTCPL	8.4%	2,694	9.4%	2,462	7.4%	2,983
13	KTL	7.9%	16,524	8.9%	15,020	6.9%	18,430
14	KLMTL	NA	2,052	NA	2,052	NA	2,052
15	JKTPL	7.6%	3,107	8.6%	2,927	6.6%	3,310
16	PrKTCL	7.9%	7,124	8.9%	6,542	6.9%	7,852
17	TL SitamauSS	NA	93	NA	93	NA	93
Total of Transmission Assets (A)			**2,22,110**		**2,02,029**		**2,47,529**

II. Solar Assets

INR Mn

Sr No.	SPVs	Base WACC	EV	WACC +1.00%	EV	WACC -1.00%	EV
18	ISPL 1	8.1%	3,223	9.1%	3,041	7.1%	3,427
19	ISPL 2	8.1%	3,449	9.1%	3,252	7.1%	3,670
20	TNSEPL	8.2%	2,188	9.2%	2,066	7.2%	2,324
21	UMD	8.2%	2,381	9.2%	2,243	7.2%	2,535
22	TL Kanji	8.2%	3,640	9.2%	3,419	7.2%	3,885
23	TL Raj	7.9%	2,228	8.9%	2,094	6.9%	2,378
24	Solar Edge	8.2%	9,528	9.2%	8,930	7.2%	10,200
25	TL Charanka	8.0%	933	9.0%	891	7.0%	978
26	TL Tinwari	7.8%	935	8.8%	890	6.8%	984
27	PLG	8.7%	1,334	9.7%	1,271	7.7%	1,403
28	USUPL	7.9%	4,486	8.9%	4,272	6.9%	4,722
29	Globus	8.0%	1,881	9.0%	1,770	7.0%	2,006
30	TL Patlasi	8.0%	1,440	9.0%	1,362	7.0%	1,527
31	TL Nangla	7.9%	372	8.9%	349	6.9%	399
32	TL Gadna	8.3%	563	9.3%	530	7.3%	599
33	GGEL	8.0%	8,121	9.0%	7,758	7.0%	8,518
Total of Solar Assets (B)			**46,702**		**44,137**		**49,555**

III. Fair enterprise Value

Particulars	EV	EV (WACC +1.00%)	EV (WACC -1.00%)
Total Fair EV of Transmission Assets (A)	2,22,110	2,02,029	2,47,529
Total Fair EV of Solar Assets (B)	46,702	44,137	49,555
Total Fair Enterprise Value of SPVs (A+B)	**2,68,812**	**2,46,165**	**2,97,084**

Appendix 3.2: Sensitivity analysis – Changing Total expenses by ±20%

I. Transmission Assets

Sr No.	SPVs	EV at Base Expenses	EV at Expenses +20.00%	EV at Expenses -20.00%
1	BDTCL	19,266	18735	19,795
2	JTCL	16,331	16163	16,499
3	MTL	5,945	5822	6,069
4	RTCL	4,354	4292	4,415
5	PKTCL	6,735	6624	6,846
6	PTCL	2,593	2516	2,671
7	NRSS	44,257	43574	44,939
8	OGPTL	14,489	14309	14,670
9	ENICL	11,509	11401	11,617
10	GPTL	11,922	11537	12,307
11	NERTL	53,114	52239	53,989
12	RSTCPL	2,694	2641	2,747
13	KTL	16,524	16259	16,789
14	JKTPL	3,107	2939	3,276
15	PrKTCL	7,124	6726	7,522
16	KLMTL	2,052	2052	2,052
17	SitamauSS	93	93	93
Total of Transmission Assets (A)		**2,22,110**	**2,17,922**	**2,26,296**

II. Solar Assets

Sr No.	SPVs	EV at Base Expenses	EV at Expenses +20.00%	EV at Expenses -20.00%
18	ISPL 1	3,223	3071	3,375
19	ISPL 2	3,449	3289	3,608
20	TNSEPL	2,188	2151	2,225
21	UMD	2,381	2,337	2,425
22	TL Kanji	3,640	3,586	3,693
23	TL Raj	2,228	2,167	2,289
24	Solar Edge	9,528	9,288	9,768
25	TL Charanka	933	907	958
26	TL Tinwari	935	916	953
27	PLG	1,334	1,304	1,365
28	USUPL	4,486	4,406	4,566
29	Globus	1,881	1,836	1,927
30	TL Patlasi	1,440	1,415	1,466
31	TL Nangla	372	365	379
32	TL Gadna	563	552	573
33	GGEL	8,121	7,935	8,276
Total of Solar Assets (B)		**46,703**	**45,526**	**47,846**

III. Fair enterprise Value

Particulars	EV	EV (Exp +20.00%)	EV (Exp - 20.00%)
Total Fair EV of Transmission Assets (A)	2,22,110	2,17,922	2,26,296
Total Fair EV of Solar Assets (B)	46,702	45,526	47,846
Total Fair Enterprise Value of SPVs (A+B)	**2,68,812**	**2,63,448**	**2,74,142**

Appendix 3.3: Sensitivity analysis – Changing Terminal value by ±20%

I. Transmission Assets

INR Mn

Sr No	SPVs	Base TV	EV	TV +20.00%	EV	TV -20.00%	EV
1	BDTCL	2137	19266	2564	19,693	1709	18,839
2	JTCL	1735	16331	2082	16,678	1388	15,984
3	MTL	556	5945	667	6,056	445	5,834
4	RTCL	349	4354	418	4,423	279	4,284
5	PKTCL	567	6735	681	6,849	454	6,622
6	PTCL	230	2593	276	2,639	184	2,547
7	NRSS	3084	44257	3701	44,873	2467	43,640
8	OGPTL	1071	14489	1285	14,703	856	14,275
9	ENICL	1312	11509	1575	11,772	1050	11,247
10	GPTL	722	11922	866	12,066	577	11,778
11	NERTL	4329	53114	5195	53,980	3463	52,248
12	RSTCPL	256	2694	307	2,745	205	2,643
13	KTL	1171	16524	1405	16,758	937	16,290
14	JKTPL	0	3107	0	3,107	0	3,107
15	PrKTCL	579	7124	695	7,240	463	7,008
16	KLMTL	NA	2052	NA	2,052	NA	2,052
17	SitamauSS	NA	93	NA	93	NA	93
	Total of SPVs		**2,22,110**		**2,25,729**		**2,18,490**

II. Solar Assets

INR Mn

Sr No	SPVs	Base TV	EV	TV +20.00%	EV	TV -20.00%	EV
18	ISPL 1	60	3223	72	3,235	48	3,211
19	ISPL 2	59	3449	71	3,461	47	3,438
20	TNSEPL	66	2188	79	2,201	52	2,175
21	UMD	72	2381	86	2,395	58	2,367
22	SP Solar	214	3640	257	3,682	171	3,597
23	TL Raj	18	2228	22	2,232	15	2,224
24	Solar Edge	427	9528	512	9,613	341	9,443
25	TL Charanka	37	933	45	940	30	925
26	TL Tinwari	23	935	28	939	19	930
27	PLG	144	1334	173	1,363	115	1,305
28	USUPL	130	4486	156	4,512	104	4,460
29	Globus	114	1881	137	1,904	91	1,858
30	TL Patlasi	36	1440	44	1,448	29	1,433
31	TL Nangla	39	372	46	380	31	365
32	TL Gadna	60	563	72	575	48	551
33	GGEL	1,522	8,121	1827	8,425	1218	7,816
Total of SPVs			**46,703**		**47,306**		**46,098**

IV. Fair enterprise Value

Particulars	EV	EV (TV +20.00%)	EV (TV -20.00%)
Total Fair EV of Transmission Assets (A)	2,22,110	2,25,729	2,18,490
Total Fair EV of Solar Assets (B)	46,702	47,306	46,098
Total Fair Enterprise Value of SPVs (A+B)	**2,68,812**	**2,73,035**	**2,64,588**

Fixed Asset Summary

1. Transmission Assets:

Appendix 4.1: BDTCL: Fixed Asset Summary as on 30th September 2023

INR Mn

AssetType	Gross Block	Depreciation	Net Block	% of asset depreciated
Transmission Lines	14,553	4,030	10,523	28%
Sub-station	6,702	2,080	4,622	31%
Leasehold Land	105	38	68	36%
Other Assets	137	42	95	31%
Freehold Land	14	-	14	-
Total	**21,512**	**6,190**	**15,322**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.2: JTCL: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Transmission Lines	18,911	4,575	14,336	29%
Freehold Land	10	-	10	-
Other Assets	6	6	1	93%
Total	**18,928**	**4,581**	**14,347**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.3: MTL: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Transmission Lines	3,878	717	3,161	18%
Freehold Land	1	-	1	-
Other Assets	1	1	0	91%
Total	**3,880**	**718**	**3,162**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.4: RTCL: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Transmission Lines	2,608	664	1,944	25%
Other assets	1	1	0.7	55%
Total	**2,609**	**665**	**1,944**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.5: PKTCL: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Transmission Lines	4,410	1,006	3,404	23%
Other assets	1	1	0.1	87%
Total	**4,411**	**1,007**	**3,404**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.6: PTCL: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Freehold Land	104	-	104	-
Substation	2150	1,115	1,035	52%
Other Assets	89	53	36	60%
Total	**2,343**	**1,168**	**1,175**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.7: NRSS: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Transmission Lines	22,214	3,996	18,218	18%
Substation	5,882	416	5,466	7%
Other Assets	22	13	9	60%
Total	**28,117**	**4,425**	**23,693**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.8: OGPTL: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Transmission Lines	12,416	1,798	10,618	14%
Other Assets	0	0	0.0	100%
Total	**12,416**	**1,798**	**10,618**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.9: ENICL: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Transmission Lines	12,498	4,933	7,565	39%
Land	9	-	9	-
Other Assets	2	2	0	84%
Total	**12,509**	**4,935**	**7,574**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.10: GPTL: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Transmission Lines	3,367	433	2,934	13%
Sub-station	6,673	963	5,710	14%
Other Assets	18	8	11	42%
Freehold Land	558	-	558	-
Total	**10,616**	**1,403**	**9,213**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.11: NERTL: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Transmission Lines	23,144	1,827	21,317	8%
Sub-station	7,442	761	6,681	10%
Other Assets	9	4	5	40%
Freehold Land	62	-	62	-
Total	**30,658**	**2,592**	**28,066**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.12: RSTCPL: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Plant and Equipment	4,014	2,051	1,963	51%
Total	**4,014**	**2,051**	**1,963**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.13: KTL: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Transmission Lines	11,805	1,982	9,823	17%
Sub-station	4,847	578	4,269	12%
Other Assets	4	3	1	65%
Freehold Land	199	-	199	-
Total	**16,855**	**2,563**	**14,292**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.14: KLMTL: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Plant and Equipment	129.53	0	129	0%
Total	**130**	**0**	**129**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.15: JKTPL: Fixed Asset Summary as on 30th September 2023

JKTPL is promoted to undertake the construction and operation of transmission line and two substations in Haryana on DBFOT basis. Accordingly, JKTPL is required to provide services for a specified period of time in accordance with the TSA.
Under Appendix C to Indian Accounting Standard ("Ind AS") 115, this arrangement is considered as Service Concession Agreement and in accordance with para 16 of the Appendix C of Ind AS 115, rights to receive the consideration from the grantor for providing the services has been recognized as "Financial Assets."
The financial assets of JKTTPL as on 30th September 2023 are INR 2,517.24 Million (Non-current financial assets of INR 1,876.62 Million and Current financial assets of INR 640.32 Million).

Appendix 4.16: PrKTCL: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Transmission Lines	6,804	582	6,223	9%
Building	106	4	102	4%
Freehold Land	37	-	37	0%
Other Assets	23	12	11	51%
Total	**6,970**	**598**	**6,373**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.17: TL SitamauSS: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Plant and Equipment	172	82	90	48%
Total	**172**	**82**	**90**	

Source: Provisional Financials as at 30th September 2023

2. Solar Assets

Appendix 4.18: ISPL 1: Fixed Asset Summary as on 30th September 2023

INR Mn

AssetType	Gross Block	Depreciation	Net Block	% of asset depreciated
Freehold land	1		1	0%
Solar power plant	2,881	840	2,040	29%
Plant and machinery	2	0	2	5%
Data processing equipments	1	0	0	50%
Office equipment	1	0	1	43%
Vehicle	0	0	0	5%
Total	**2,886**	**841**	**841**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.19: ISPL 2: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Freehold land	1		1	0%
Plant and machinery	3	-0	3	-7%
Solar Assets	2,893	-799	3,693	-28%
Office equipment	1	-0	1	-41%
Data processing equipments	0	-0	1	-56%
Vehicles	0	-0	0	-5%
Total	**2,899**	**-800**	**3,699**	

Source: Provisional Financials as at 30th September 2023

Appendix 4.20: TNSEPL: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Freehold Land	38	-	38	0%
Leasehold land	0	0	0	15%
Plant	1,706	879	827	52%
Data-processing equipments	1	1	0	75%
Furniture & Fittings	0	0	0	80%
Office equipments	0	0	-	100%

Total	**1,745**	**880**	**865**	**50%**

Source: Provisional Financials as at 30th September 2023

Appendix 4.21: UMD: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Freehold Land	3	-	3	0%
Leasehold land	0	0	0	99%
Plant	1,921	951	971	49%
Data-processing equipments	1	0	0	42%
Furniture & Fittings	0	0	0	68%
Office equipments	0	0	-	100%
Vehicles	0	0	0	70%
Total	**1,925**	**951**	**974**	**49%**

Source: Provisional Financials as at 30th September 2023

Appendix 4.22: TL Kanji: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Leasehold Land	285	-	285	0%
Plant	2,795	1,146	1,649	41%
Data-processing equipments	0	0	0	83%
Furniture & Fittings	0	0	0	78%
Office equipments	0	0	-	100%
Vehicles	0	0	0	75%
Total	**3,080**	**1,146**	**1,934.32**	**37%**

Source: Provisional Financials as at 30th September 2023

Appendix 4.23: TL Raj: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Leasehold Land	0	0	0	97%
Plant	1,330	205	1,125	15%
Data-processing equipments	0	0	0	80%
Office equipments	0	0	0	71%
Vehicles	0	0	0	35%
Total	**1,331**	**205**	**1,125.57**	**15%**

Source: Provisional Financials as at 30th September 2023

Appendix 4.24: Solar Edge: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Leasehold Land	396		396	0%
Plant	6,955	2,171	4,783	31%
Data-processing equipments	1	1	1	55%
Office equipments	0	0	0	78%
Vehicles	0	0	0	58%
Total	**7,352**	**2,173**	**5,179.69**	**30%**

Source: Provisional Financials as at 30th September 2023

Appendix 4.25: TI Charanka: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Building - Substations	71	46	25	65%
Leasehold Land	1	1	-0	100%
Data-processing equipments	1	0	0	48%
Office equipments	0	0	0	95%
Plant and Machinery	1,838	1,338	500	73%
Total	**1,910**	**1,385**	**525.04**	**73%**

Source: Provisional Financials as at 30th September 2023

Appendix 4.26: TL Tinwari: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Building - Substations	2	1	0	83%
Leasehold Land	5	5	-0	100%
Furniture and Fittings	0		0	0%
Data-processing equipments	1	0	0	65%
Office equipments	0	0	0	78%
Plant and Machinery	816	551	265	67%
Total	**823**	**557**	**265.97**	**68%**

Source: Provisional Financials as at 30th September 2023

Appendix 4.27: PLG: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Building - Substations	38	14	24	37%
Freehold Land	75		75	0%
Building- Office	322	140	182	43%
Data-processing equipments	0	0	0	74%
Office equipments	0	0	0	70%
Plant and Machinery	2,845	2,140	705	75%
Total	**3,281**	**2,294**	**986.75**	**70%**

Source: Provisional Financials as at 30th September 2023

Appendix 4.28: USUPL: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Building - Substations	112	56	56	50%
Leasehold Land	4	4	-	100%
Freehold Land	219		219	0%
Furniture and Fittings	1	1	0	99%
Data-processing equipments	2	1	1	72%
Office equipments	3	1	1	55%
Plant and Machinery	2,409	1,260	1,148	52%
Total	**2,750**	**1,324**	**1,425.76**	**48%**

Source: Provisional Financials as at 30th September 2023

Appendix 4.29: Globus: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Freehold Land	31		31	0%
Furniture and Fittings	1	0	0	83%
Data-processing equipments	0	0	0	47%
Office equipments	0	0	0	97%
Plant and Machinery	1,583	707	876	45%
Total	**1,615**	**708**	**907.11**	**44%**
Source: Provisional Financials as at 30th September 2023			0.00	

Appendix 4.30: TL Patlasi: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Freehold Land	11		11	0%
Furniture and Fittings	0	0	0	84%
Data-processing equipments	0	0	0	47%
Plant and Machinery	1,474	665	809	45%
Total	**1,485**	**665**	**819.78**	**45%**

Source: Provisional Financials as at 30th September 2023

Appendix 4.31: TL Nangla: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Freehold Land	39		39	0%
Furniture and Fittings	0	0	0	87%
Data-processing equipments	0	0	0	47%
Office Equipments	0	0	0	90%
Plant and Machinery	318	157	160	50%
Total	**357**	**158**	**199.63**	**44%**

Source: Provisional Financials as at 30th September 2023

Appendix 4.32: TL Gadna: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Freehold Land	9		9	0%
Data-processing equipments	0	0	0	47%
Plant and Machinery	544	371	173	68%
Total	**554**	**371**	**182.68**	**67%**

Source: Provisional Financials as at 30th September 2023

Appendix 4.33: GGEL: Fixed Asset Summary as on 30th September 2023

INR Mn

Asset Type	Gross Block	Depreciation	Net Block	% of asset depreciated
Freehold Land	499		499	0%
Leasehold Land	6	2	5	26%
Office Equipment	8	5	3	59%
Furniture Fittings	56	32	25	56%
Vehicle	9	6	3	64%
Data Processing Equipments	1	0	1	37%
Building Substations	128	72	56	56%
Plant and Machinery	7,067	2,539	4,528	36%
Total	**7,775**	**2,656**	**5,119.78**	**34%**

Source: Provisional Financials as at 30th September 2023

Transmission and Maintenance Expenses

Appendix 5: Details of Transmission and Maintenance Expenses for the period ended 30th September 2023

1. Transmission Assets-

Sr No	SPV (INR Mn.)	FY 24	FY 25	FY 26	FY 27	Inflation% *
1	BDTCL	53	55	55	57	3.8%
2	JTCL	19	19	20	20	2.4%
3	MTL	22	23	24	24	3.1%
4	RTCL	6	6	6	7	3.3%
5	PKTCL	17	17	18	18	3.0%
6	PTCL	4	4	4	5	4.2%
7	NRSS	23	24	25	26	4.3%
8	OGPTL	25	25	26	27	2.9%
9	ENICL	25	26	26	27	2.8%
10	GPTL	42	44	45	47	4.2%
11	NERTL	105	109	113	118	3.9%
12	RSTCPL	11	11	12	12	4.4%
13	KTL	18	18	19	19	2.1%
14	JKTPL	51	52	54	56	3.6%
15	PrKTCL	15	16	17	18	4.4%
16	KLMTL**	-	-	-	-	-
17	TL SitamauSS***	-	-	-	-	-

**Inflation rates for the period beyond FY 27.*
***KLMTL project is currently under construction.*
**** TL SitamauSS is engaged in the business of providing transmission and step-up services to its shareholders. TL SitamauSS provides services to 4 SPVs. Among these SPVs, two are owned by VRET (Globus and TL Patlasi), while the other two are owned by Brookfield (Focal Photovoltaic India Private Limited and Focal Renewable Energy Two Private Limited).*

2. Solar Assets-

Sr No	SPV (INR Mn.)	FY 24	FY 25	FY 26	FY 27	Inflation%*
18	ISPL 1	25	26	27	28	4.0%
19	ISPL 2	15	16	17	17	4.8%
20	TNSEPL	15	12	13	12	2.0%
21	UMD	15	14	14	13	2.0%
22	TL Kanji	29	22	22	20	2.0%
23	TL Raj	21	24	25	23	2.0%
24	Solar Edge	79	76	78	71	2.0%
25	TL Charanka	12	7	7	6	2.0%
26	TL Tinwari	5	3	3	2	2.0%
27	PLG	18	9	9	8	2.0%
28	USUPL	45	28	29	26	2.0%
29	Globus	11	11	11	10	2.0%
30	TL Patlasi	11	10	10	9	2.0%
31	TL Nangla	4	2	2	2	2.0%
32	TL Gadna	17	2	3	2	2.0%
33	GGEL	71	10	10	9	2.0%

**Inflation rates for the period beyond FY 27.*

Major Maintence Expenses

Appendix 6: Details of Major Maintence Expenses as on 30th September 2023

1. Transmission Assets

INR Mn

Particulars	6m FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35	FY36	FY37	FY38	FY39	FY40
BDTCL	-	5	-	-	-	-	5	-	-	-	-	5	-	-	-	-	5
JTCL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MTL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RTCL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PKTCL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PTCL	21	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27
NRSS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OGPTL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ENICL	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
GPTL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NERTL	-	195	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RSTCPL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
KTL	178	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
JKTPL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PrKTCL	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
KLMTL																	

INR Mn

Particulars	FY41	FY42	FY43	FY44	FY45	FY46	FY47	FY48	FY49	FY50	FY51	FY52	FY53	FY54	FY55	FY56	FY57
BDTCL	-	-	-	-	5	-	-	-	-	1							
JTCL	-	-	-	-	-	-	-	-	-	-							
MTL	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
RTCL	-	-	-	-	-	-	-	-	-	-	-	-					
PKTCL	-	-	-	-	-	-	-	-	-	-	-	-					
PTCL	27	27	27	27	27	27	27	27	27	27	27	16	27				
NRSS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
OGPTL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
ENICL																	
GPTL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	
NERTL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RSTCPL	-	-	-	-	-	-	-	-	-	-							
KTL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
JKTPL	-	-	-	-	-	-											
PrKTCL	-	-	-	-	-	-	-	-	-	-	-						
KLMTL																	

2. Solar Assets

INR Mn

Particulars	6m FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
ISPL 1	-	-	-	-	-	-	-	-	-	105
ISPL 2	-	-	-	-	-	-	-	-	-	105
TNSEPL	-	1	5	5	5	3	-	-	-	-
UMD	-	-	5	5	5	5	-	-	-	-
TKSPL	39	-	6	6	6	6	-	-	0	2
TRSPL	-	-	-	-	5	10	10	10	5	-
Solar Edge	40	-	-	-	20	26	26	26	6	-
TSEC	10	-	-	-	-	-	-	-	-	-
PLG	14	-	-	-	-	-	-	-	-	-
TSETPL	1	1	1	1	-	-	-	-	-	-
USUPL	82	8	-	3	6	6	6	3	-	-
Globus	-	-	4	4	4	4	-	-	-	-
TL Patlasi	-	3	4	4	4	1	-	-	-	-
TL Nangla	-	-	4	4	4	4	-	-	-	-
TL Gadna	-	1	1	1	1	-	-	-	-	-
GGEL	10	-	-	-	-	-	-	-	-	-

INR Mn

Particulars	FY35	FY36	FY37	FY38	FY39	FY40	FY41	FY42	FY43	FY44*
ISPL 1	-	-	-	-	-	-	-	-	-	-
ISPL 2	-	-	-	-	-	-	-	-	-	-
TNSEPL	-	-	-	-	-	-	-			
UMD	-	-	-	-	-	-	-			
TKSPL	2	2	-	-	-	-	-			
TRSPL	-	-	-	-	-	-	-	-	-	-
Solar Edge	-	-	-	-	-	-	-	-	-	-
TSEC	-	-	-							
PLG	-	-	-							
TSETPL	-	-	-							
USUPL	-	-	-	-	-	-	-	-		
Globus	-	-	-	-	-	-	-			
TL Patlasi	-	-	-	-	-	-	-			
TL Nangla	-	-	-	-	-	-				
TL Gadna	-	-	-	-						
GGEL	-	-	-	-	-					

Appendix 7: Summary of Approvals & Licences as on 30th September 2023

1. Transmission Assets:

Appendix 7.1: BDTCL: Approvals & Licences Summary (1/3)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Company Registration	08-Sep-09	Valid	Ministry of Corporate Affairs
2	Transmission License	12-Oct-11	25	Central Electricity Regulatory Commission
3	**Forest Clearance**			
	Dhule-Dhule Transmission Line in Dhule District - Stage I	15-May-14	Valid	Ministry of Environment and Forests
	Dhule-Dhule Transmission Line in Dhule District - Stage II	25-Jan-17	Valid	Ministry of Environment and Forests
	765KV Double Circuit Dharamjayagarh to Jabalpur Transmission Line- 09/DND/POW/2012-114	30-May-14	Valid	Ministry of Environment and Forests
	Dhule- Aurangabad Transmission Line in Aurangabad District - Stage II	25-Jan-17	Valid	Ministry of Environment and Forests
	Bhopal- Indore Transmission Line in Bhopal District - Stage I	24-Jun-14	Valid	Ministry of Environment and Forests
	Bhopal- Indore Transmission Line in Bhopal District - Stage II	21-Sep-15	Valid	Ministry of Environment, Forests & Climate Changes
	Bhopal- Bhopal Transmission Line in Bhopal District - Stage I	20-Jun-14	Valid	Ministry of Environment and Forests
	Bhopal- Bhopal Transmission Line in Bhopal District - Stage II	16-Sep-15	Valid	Ministry of Environment, Forests & Climate Changes
	Dhule - Vadodara Transmission Line in Bharuch & Vadodara Districts (General Manager) -Stage I	27-Aug-14	Valid	Ministry of Environment, Forests & Climate Changes
	Dhule - Vadodara Transmission Line in Bharuch & Vadodara Districts (Assistant General Manager) - Stage I	27-Aug-14	Valid	Ministry of Environment, Forests & Climate Changes
	Dhule-Vadodara Transmission Line in Bharuch & Vadodara Districts- Stage II	04-Mar-15	Valid	Ministry of Environment, Forests & Climate Changes
	Dhule - Vadodara Transmission Line in Dhule District - Stage II	19-Nov-15	Valid	Ministry of Environment, Forests & Climate Changes
	Jabalpur-Bhopal Transmission Line in Bhopal & Raisen Districts - Stage I	31-Dec-14	Valid	Ministry of Environment, Forests & Climate Changes
	Jabalpur-Bhopal Transmission Line in Bhopal & Raisen Districts - Stage II	25-Mar-15	Valid	Ministry of Environment, Forests & Climate Changes
4	Approval under section 68 of Electricity Act, 2003	25-Nov-10	Valid	Ministry of Power
5	Approval from GOI under section 164 of Electricity Act, 2003- Under Gazette of India	29-Jan-13	25	Ministry of Power
6	Approval from CERC under section 17(3)	06-Apr-16	Valid	
7	Environmental Clearance	Not Applicable		

Source: Investment Manager

Appendix 7.1: BDTCL: Approvals & Licences Summary (2/3)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
8	**Power & Telecommunication Coordination Committee ("PTCC") Clearance**			
	Bhopal- Bhopal Transmission Line	31-Aug-13	Valid	PTCC, Government of India
	Jabalpur-Bhopal Transmission Line	13-Sep-13	Valid	PTCC, Government of India
	Dhule-Dhule Transmission Line	22-Jul-13	Valid	PTCC, Government of India
	Dhule- Vadodara Transmission Line	07-Mar-14	Valid	PTCC, Government of India
9	**Railway Crossing**			
	765 KV at KM 195/7-10 - Ratlam	13-Mar-14	Valid	Western Railway
	765 KV at KM 37/1-4 - Ratlam	09-May-13	Valid	Western Railway
	Between Diwanganj - Salamatpur at KM 865/2-4	18-Jun-13	35	West Central Railway
	KM 953/4-5 ET- JBP Section	18-Oct-13	Valid	West Central Railway
	Near Galan Railway Station at KM 359/27-28 & 360/1-2	25-Apr-14	Valid	Central Railway
	Between Ranala & Dondicha at KM 172/11 & 172/12 and tower LOC No. 22/0 & 23/0	07-Aug-14	Valid	Western Railway
10	**Road Crossing**			
	KM 569/1 & 569/2 on Dewas City Portion on NH-3	11-Sep-13	Valid	National Highway Authority of India
	KM 333+830 on Bhopal-Bloara NH-12	06-Jul-12	Valid	Madhya Pradesh Road Development Corporation Ltd.
	NH - 86	12-Aug-13	Valid	National Highway Authority of India
	NH-26 (Sagar Narsinghpur Section and Milestone 302-303 respectively)	05-Feb-14	Valid	National Highway Authority of India
	Between KM 148-149 NH-12 Deora- Udaipura Section	21-Jan-13	Valid	Madhya Pradesh Road Development Corporation Ltd.
	Dhule- Aurangabad at KM 240-241 of NH-3	08-May-14	Valid	National Highway Authority of India
	Dhule- Aurangabad at KM 500-501 of NH-6	16-May-14	Valid	National Highway Authority of India
	Dhule-Dhule at 241-242 of NH-3	15-May-14	Valid	National Highway Authority of India

Source: Investment Manager

Appendix 7.1: BDTCL: Approvals & Licences Summary (3/3)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
11	River Crossing	No River Crossing		
12	**Power Line Crossing**			
	Bhopal - Bhopal	03-Aug-13	Valid	Madhya Pradesh Power Transmission Co. Ltd.
	Indore Bhopal (Jaitura-Ashta Line)	10-Dec-12	Valid	Madhya Pradesh Power Transmission Co. Ltd.
	Bhopal Indore (Bairagarh- Shyampur Line, Sawania- Ashta Line, Sawania- Suajlpur Line, Bairagarh- Kurawar Line, Ashta-Polai Line, Ashta-Amiyakal Line & Ashta-Bercha Line)	15-Jan-13	Valid	Madhya Pradesh Power Transmission Co. Ltd.
	Bhopal Jabalpur line (Shahpura Line & Sukhanarsinghpur line)	05-Apr-13	Valid	Madhya Pradesh Power Transmission Co. Ltd.
	Bhopal Jabalpur line (Barasia-Vidhisha line, Vidhisha-Raisen Line, Berasla-Vishisha Line, Bhopal-Bina Line & Bhopal-Vidhisha Line)	15-Jan-13	Valid	Madhya Pradesh Power Transmission Co. Ltd.
	Bhopal- Dhule Transmission Line	19-Oct-13	Valid	Maharashtra Electricity Transmission Co. Ltd.
	Dhule- Dhule Transmission Line (Provisional Permission)	30-Oct-14	Valid	Public Works Department - Mumbai
	Dhule Vadodara - I	30-May-13	Valid	Gujarat Energy Transmission Corporation Ltd.
	Dhule Vadodara - II	28-Feb-13	Valid	Gujarat Energy Transmission Corporation Ltd.
	Dhule Vadodara - III	25-Jul-13	Valid	Gujarat Energy Transmission Corporation Ltd.
13	**Aviation Clearance**			
	NOC for Height Clearance - Bhopal	12-Feb-13	Valid	Airport Authority of India
	NOC for Height Clearance between Bhopal & Indore	20-Feb-13	Valid	Airport Authority of India
	NOC for Height Clearance between Jabalpur & Bhopal	20-Feb-13	Valid	Airport Authority of India
	NOC for Height Clearance between Dhule to Aurangabad	01-Feb-14	Valid	Airport Authority of India
	NOC for Height Clearance between Dhule to Vadodara	13-Mar-14	Valid	Airport Authority of India
14	**Defence Clearance**			
	NOC for Construction of Dhule Aurangabad Line	19-Sep-13	Valid	Ministry of Defence
	NOC for Construction of Dhule Dhule Line	19-Sep-13	Valid	Ministry of Defence
	NOC for Construction of Dhule Vododara Line	19-Sep-13	Valid	Ministry of Defence
15	Transmission Service Agreement	07-Dec-10	Valid	
16	Approval for adoption of Tariff	28-Oct-11	35	Central Electricity Regulatory Commission
17	Approval for Energisation	13-Aug-14	Valid	Central Electricity Authority, Chief Electrical Inspectorate Division

Source: Investment Manager

Appendix 7.2: JTCL: Approvals & Licences Summary (1/2)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Company Registration	08-Sep-09	Valid	Ministry of Corporate Affairs
2	Transmission License	12-Oct-11	25	Central Electricity Regulatory Commission
3	**Forest Clearance**			
	765KV Double Circuit Dharamjayagarh to Jabalpur Transmission Line-09/DND/POW/2012-112	17-Aug-12	Valid	Forest Department
	765KV Double Circuit Dharamjayagarh to Jabalpur Transmission Line-09/DND/POW/2012-113	17-Aug-12	Valid	Forest Department
	765KV Double Circuit Dharamjayagarh to Jabalpur Transmission Line-09/DND/POW/2012-114	17-Aug-12	Valid	Forest Department
	Forest Registration Letter for Dharamjayagarh to Jabalpur Transmission Line	17-Jul-14	Valid	Collector, Jabalpur, Madhya Pradesh
	In Principle approval for the diversion of forest land for construction of 765 KV D/C Jabalpur Transmission Line	23-Dec-14	Valid	Ministry of Environment & Forests
	Approval for construction of 765 KV D/C Jabalpur Transmission Line in Korba District of Chhattisgarh	10-Jun-15	Valid	Ministry of Environment, Forests & Climate Change
	Dharamjayagarh to Jabalpur Transmission Line Stage I Clearance	31-Dec-14	Valid	Ministry of Environment, Forests & Climate Change
	Dharamjayagarh to Jabalpur Transmission Line Stage II Clearance	10-Mar-15	Valid	Ministry of Environment, Forests & Climate Change
	Jabalpur Bina Transmission Line Stage I	15-Jan-15	Valid	Ministry of Environment, Forests & Climate Change
	Jabalpur Bina Transmission Line Stage II	16-Mar-15	Valid	Ministry of Environment, Forests & Climate Change
4	Approval under section 68 of Electricity Act, 2003	25-Nov-10	Valid	Ministry of Power
5	Approval from GOI under section 164 of Electricity Act, 2003	05-Jun-13	Valid	Ministry of Power
6	Approval from CERC under section 17(3)	Not Found		
7	Environmental Clearance	Not Applicable	Valid	
8	**Power & Telecommunication Coordination Committee ("PTCC") Clearance**			
	PTCC - Chhattisgarh Portion	21-May-15	Valid	PTCC, GOI
	PTCC - Madhya Pradesh Portion	13-Apr-15	Valid	PTCC, GOI
9	**Railway Crossing**			
	Provisional Approval for Erection of power line between Urga & Saragbundia Railway Station at KM 688/C 21-23 & KM 688/C22-24	18-Sep-14	Valid	South East Central Railway
	Provisional Approval for Erection of power line between Gevra Road Railway Station & NTPC Sipat at KM Stone 12 & 13	13-Jun-14	Valid	South East Central Railway
	Provisional Approval for Erection of power line between Guthku & Kalmitar Railway Station at KM 740/20-22 & Km 740/21N-23N	13-Jun-14	Valid	South East Central Railway
	Erection of power line between Bargi - Gowarighat Railway Station at KM 1208/4-5	27-Apr-15	Valid	South East Central Railway
10	**Road Crossing**			
	765 KV D/C OH NH crossing Bilaspur- Ratanpur (NH-130)	28-May-15	Valid	Chhattisgarh Road Development Corporation Ltd.
	765KV Double Circuit Dharamjayagarh	09-Dec-13	Valid	Madhya Pradesh Road Development Corporation Ltd.

Source: Investment Manager

Appendix 7.2: JTCL: Approvals & Licences Summary (2/2)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
11	River Crossing	No River Crossing		
12	**Power Line Crossing**			
	Approval order for power line crossings of tower no. 7/0 and 8/0.	27-Jun-15	Valid	Chhattisgarh State Power Transmission Company Ltd.
	Approval order for power line crossings of tower no. 11A/0 and 11B/0.	23-Jan-15	Valid	Chhattisgarh State Power Transmission Company Ltd.
	Approval for overhead crossing of existing 132 KV DCDS Korba- Champa Line of CSPTCL By 765 KV D/C Dharmjaygarh- Jabalpur Transmission Line	20-Nov-13	Valid	Chhattisgarh State Power Transmission Company Ltd.
	Approval for overhead crossing of 400KV and 200KV and 132KV lines of CSTPL by 765 KV D/C Dharmjaygarh- Jabalpur Transmission Line	03-Jun-13	Valid	Chhattisgarh State Power Transmission Company Ltd.
	Approval for overhead crossing of Chhuri to S/s Mopka of CSTPCL by 765 KV D/C Dharmjaygarh Jabalpur Transmission Line of JTCL	04-Dec-13	Valid	Chhattisgarh State Power Transmission Company Ltd.
	Approval for overhead crossing Korba to Mopka of CSTPCL by 765 KV D/C Dharmjaygarh Jabalpur Transmission Line of JTCL	04-Dec-13	Valid	Chhattisgarh State Power Transmission Company Ltd.
	Approval for overhead crossing of LILO of one circuit of 400KV DCDS Korba Khedmara line to Marwa under construction of CSPTCL by 765 KV D/C Dharamjaygarh- Jabalpur Transmission Line of M/s JTCL.	05-Nov-14	Valid	Chhattisgarh State Power Transmission Company Ltd.
	Approval for overhead crossing of existing 400 KV DCDS Korba (W)- Khedamara line of CSPTCL by 765 KV D/C Dharmajaygarh- Jabalpur Transmission line of M/s JTCL.	29-Apr-14	Valid	Chhattisgarh State Power Transmission Company Ltd.
	Approval for overhead crossing of existing 132 KV DCDS Belgahna Railway Traction line of CSPTCL by 765 KV D/C Dharmjaygarh Jabalpur Transmission Line of M/s JTCL.	21-Nov-13	Valid	Chhattisgarh State Power Transmission Company Ltd.
	Joint Inspection report of Powerline Crossings_ 02-04/TL/JTCL/765KV/01-03/1031	29-Mar-14	Valid	Chhattisgarh State Power Transmission Company Ltd.
	Approval for overhead crossing of existing 220 KV DCDS Korba- Banari-Suhela Line of CSPTCL by 765KV D/C Dharmajaygarh Jabalpur Transmission Line of M/s JTCL	01-Oct-13	Valid	Chhattisgarh State Power Transmission Company Ltd.
	Approval for overhead crossing of 400 KV & 765 KV line of Power Grid by 765 KV D/C Dharamjaygarh Jabalpur T/L of M/s JTCL. Tower No. 64/0 and 65/0	10-Aug-13	Valid	Power Grid Corporation Ltd.
	Approval for Overhead Crossing of 400 KV S/C Korba Bhilai II T/L of Power Grid by 765KV D/C Dharamjaygarh Jabalpur T/L of M/s JTCL.	07-Feb-14	Valid	Power Grid Corporation Ltd.
	Approval for overhead crossing of 765KV D/C Dharamjaygarh Jabalpur Transmission Line of JTCL with upcoming 765 KV D/C Champa PS to Korba & Bilaspur- Korba Transmission Line.	02-Jan-14	Valid	Power Grid Corporation Ltd.
13	Aviation Clearance - NOC for Transmission Line	27-Nov-13	Valid	Airport Authority of India
14	Defence Clearance - NOC from Aviation Angle for Construction	27-May-15	Valid	Ministry of Defence
15	Transmission Service Agreement	01-Dec-10	Valid	
16	Approval for adoption of Tariff	28-Oct-11	35	Central Electricity Regulatory Commission
17	**Approvals issued by the CEA, for energisation of:**			
	(i) the 765 kV S/C Jabalpur to Bina transmission line from the 765/400 kV substation at Jabalpur to the 765/400 kV substation at Bina; and	16-Jun-15	Valid	Central Electricity Authority, Electrical Inspectorate Division
	(ii) the 765 kV D/C Dharamjaygarh to Jabalpur transmission line from the 765/400 kV substation at Jabalpur to the 765/400 kV substation at Dharamjaygarh.	04-Sep-15	Valid	Central Electricity Authority, Electrical Inspectorate Division

Source: Investment Manager

Appendix 7.3: MTL: Approvals & Licences Summary (1/2)

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Company Registration	14-Aug-14	Valid	Ministry of Corporate Affairs
2	**Aviation Clearance**			
	NOC for Height Clearance	9-Mar-17	7	Airport Authority Of India
	NOC for Height Clearance	9-Mar-17	7	Airport Authority Of India
	NOC for Height Clearance	9-Mar-17	7	Airport Authority Of India
	765KV Double Circuit Dharamjayagarh to Jabalpur Transmission Li	9-Mar-17	7	Airport Authority Of India
	NOC for Height Clearance	16-Mar-17	7	Airport Authority Of India
	NOC for Height Clearance	9-Mar-17	7	Airport Authority Of India
	NOC for Height Clearance	21-Mar-17	7	Airport Authority Of India
	NOC for Height Clearance	21-Mar-17	7	Airport Authority Of India
	NOC for Height Clearance	9-Mar-17	7	Airport Authority Of India
	NOC for Height Clearance	9-Mar-17	7	Airport Authority Of India
	NOC for Height Clearance	21-Mar-17	7	Airport Authority Of India
	NOC for Height Clearance	9-Mar-17	7	Airport Authority Of India
	NOC for Height Clearance	21-Mar-17	7	Airport Authority Of India
	NOC for Height Clearance	9-Mar-17	7	Airport Authority Of India
3	Approval under section 68(1) of Electricity Act, 2003	27-Jul-15	Valid	Ministry of Power
4	Approval from GOI under section 164 of Electricity Act, 2003 - Under Gazette of India	20-Sep-16	25	Ministry of Power
5	Approval from CERC under section 17(3)	4-Jun-16	Valid	Central Electricity Regulatory Commission
6	Transmission licence - Approval under section 14 of Electricity A	23-Nov-15	25	Central Electricity Regulatory Commission
7	Approval for Energisation under regulation 43 of CEA	15-May-17	Valid	Central Electricity Authority
8	**Forest Clearance**			
	Nizamabad- Yeddumailaram Transmission Line at Nizamabad - Stage II	12-Jan-18	Valid	Ministry of Environment, Forests & Climate Change
9	**Power & Telecommunication Coordination Committee ("PTCC") Clearance**			
	Nizamabad- Yeddumailaram Transmission Line	11-Apr-17	Valid	PTCC, Government of India
	Maheshwaram-MahabubNagar Transmission Line	14-Jun-17	Valid	PTCC, Government of India
10	**Road Crossing**			
	Nizamabad-Shankarpali over NH 44 between AP 8/0 and AP 9/0	27-Jan-17	Valid	National Highway Authority of India
	Nizamabad-Shankarpali over NH 9 (Hyderabad to Mumbai)	3-Mar-17	Valid	Ministry of Road Transport & Highways
	Maheshwaram-MahabubNagar Transmission Line	10-Mar-17	Valid	National Highway Authority of India

Source: Investment Manager

Appendix 7.3: MTL: Approvals & Licences Summary (2/2)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
11	**Defence Clearance**			
	NOC from aviation angle for Construction of Maheshwaram Mahabubnagar Line.	26-May-17	Valid	Ministry of Defence
	NOC from aviation angle for Construction of Nizamabad-	29-May-17	Valid	Ministry of Defence
12	**Power Line Crossing Approval**			
	Raichur Line Tower (Provisional Permission)	6-Jul-16	Valid	Power Grid Corporation of India Ltd
	Maheshwaram-MahabubNagar 132 KV & 220 KV	12-Sep-16	Valid	Transmission Corporation of Telangana Limited
	Maheshwaram-MahabubNagar (Provisional Permission)	8-Dec-16	Valid	Power Grid Corporation of India Ltd
	Maheshwaram- Veltoor	26-May-17	Valid	Transmission Corporation of Telangana Limited
	Nizamabad-Sharkarpally Transmission Line crossing 132KV Kandi	3-Mar-17	Valid	Transmission Corporation of Telangana Limited
	Nizamabad-Yeddumaillaram Transmission Line crossing 132KV & 220	9-Aug-16	Valid	Transmission Corporation of Telangana Limited
	Nizamabad-Yeddumaillaram Transmission Line crossing 132KV & 220	10-Oct-16	Valid	Transmission Corporation of Telangana Limited
	Nizamabad-Sharkarpally 400KV Gajwel-Shankaraplly DC line	19-Oct-16	Valid	Transmission Corporation of Telangana Limited
	Nizamabad-Sharkarpally Transmission Line (Provisional Permission)	23-Jan-17	Valid	Power Grid Corporation of India Ltd
	Nizamabad-Sharkarpally 220 KV Sadasivpet- Shankarpally Line	4-Aug-17	Valid	Transmission Corporation of Telangana Limited
13	**Railway Crossing**			
	400kv D/C Nizamabad-Shankarpali	13-Feb-17	Valid	South Central Railway
14	**Transmission Service Agreement**			
	Transmission Service Agreement between MTL & Long Term Transmission Customers	10-Jun-15	35	
	Transmission Service Agreement between MTL & Power Grid Corporation of India Ltd	27-Apr-17	Valid	
15	**Approval for adoption of Tariff**			
	Approval for adoption of Tariff	24-Nov-15	35	
	Revised approval for adoption of Tariff	12-Jun-17	35	
16	**Trial run certificate**			
	Nizamabad - Shankarapally lines I & II.	20-Oct-17	Valid	Power System Operation Corporation Limited
	Maheshwaram - Mahabubnagar lines I & II.	26-Dec-17	Valid	Power System Operation Corporation Limited

Source: Investment Manager

Appendix 7.4: RTCL: Approvals & Licences Summary (1/2)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Company Registration	20-Dec-12	Valid	Ministry of Corporate Affairs
2	Transmission License	27-Oct-11	25	Central Electricity Regulatory Commission
3	**Environment (Forest) Clearance**			
	FRA Certificate and District level Committee Meeting	22-Jun-15	Valid	Office of District Collector, Chittorgarh, Government of Rajasthan
	400 KV/ D/C RAPP to Shujalpur	19-Aug-15	Valid	Ministry of Environment, Forests & Climate Change Regional Office (Central Region)
	765KV Double Circuit Dharamjayagarh to Jabalpur Transmission Line-09/DND/POW/2012-114	02-Aug-19	Valid	Ministry of Environment, Forests & Climate Change Regional Office (Central Region)
4	Approval under section 68 of Electricity Act, 2003	16-May-13	Valid	Ministry of Power, Government of India
5	Approval from GOI under section 164 of Electricity Act, 2003- under Gazette of India	07-Jan-15	25	Ministry of Power, Government of India
6	Approval under section 14 of Electricity Act, 2003	26-Sep-13	25	Central Electricity Regulatory Commission
7	Approval under section 17 (3) of Electricity Act, 2003	01-Apr-15	Valid	Central Electricity Regulatory Commission
8	**Power Telecommunication Coordination Committee ("PTCC")**			
	PTCC route approval for 400KV D/C RAPP (Rawatbhata Atomic power plant) - Shujalpur T/L (For Rajasthan Portion)	14-Dec-15	Valid	PTCC, Government of India
	PTCC route approval for 400KV Double Circuit Transmission line from RAPP- Shujalpur (Length 101 km) (For Madhya Pradesh Portion)	19-Dec-15	Valid	PTCC, Government of India
9	**Railway Clearance**			
	Nagda- Kota section railway	21-Apr-15	Valid	West Central Railway
	RTA-MKC section	12-Jun-15	35	West Central Railway

Source: Investment Manager

Appendix 7.4: RTCL: Approvals & Licences Summary (2/2)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
10	**Power Line Clearance**			
	RVPN Transmission Lines: =>132 KV D/C Kota to Gandhisagar =>220 KV D/C Kota - Barod =>132 KV S/C Morak to Bhiwanimandi =>132 KV S/C Bhiwanimandi to Kanwari	30-Apr-15	Valid	Office of The Superintending Engineer (TCC V) Kota
	220 KV Shujalpur-Rajgarh and 132KV Sarangpur-Khilchipur Line of MPPTCL	08-May-15	Valid	Office of The Superintending Engineer Eht(Maint.) Circle Mp Power Transmission Co.Ltd
	Powergrid 400KV D/C Shujalpur- Nagda TL to RTCL	29-Jul-15	Valid	Power Grid Corporation of India Limited
11	Application for Civil Aviation	29-Apr-15	Not Available	Airport Authority of India Limited
12	Transmission Service Agreement between RAPP and Power Distribution companies(LTTC - Long Term Transmission Companies)	24-Jul-13	35	
13	Transmission Service Agreement between RAPP and Power Grid Corporation India Limited	17-Dec-15		
14	Transmission license order	31-Jul-14	25	Central Electricity Regulatory Commission
15	Approval for adoption of tariff	23-Jul-14	Valid	Central Electricity Regulatory Commission
16	Energisation of 400KV D/C (Twin Moose) RAPP- Shujalpur transmission line*	18-Dec-15	Valid	Central Electricity Authority (Measures relating to safety and electric supply) Regulations, 2010
17	RAPP Rawatbhata to Shujalpur Transmission line	12-May-15	Not Available	National Highway Crossing (Ministry of Road Transport and Highway)
18	Trial Operation of Transmission Element (LINE- RPTL bays and line reactor at RAPP-7&8-NPCIL)	28-Dec-16	Valid	Power System Operation Corporation Limited
19	Civil Defence Clearance for installation of 400KV D/C(TWIN) RAAP to Shujalpur	08-Apr-16	Valid	Directorate of Operations, Air Traffic Services

Source: Investment Manager

Appendix 7.5: PKTCL: Approvals & Licences Summary (1/2)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	**Aviation Clearance**			
	No Objection Certificate for Height Clearance:			
	JAMS/EAST/P/090716/170575	22-Sep-16	7	Airports Authority of India
	JAMS/EAST/P/090716/170575/2	22-Sep-16	7	Airports Authority of India
	JAMS/EAST/P/090716/170575/3	26-Sep-16	7	Airports Authority of India
	765KV Double Circuit Dharamjayagarh to Jabalpur Transmission	26-Sep-16	7	Airports Authority of India
	JAMS/EAST/P/090716/170575/5	26-Sep-16	7	Airports Authority of India
	JAMS/EAST/P/090716/170575/6	22-Sep-16	7	Airports Authority of India
	JAMS/EAST/P/090716/170575/7	22-Sep-16	7	Airports Authority of India
	JAMS/EAST/P/090716/170575/8	22-Sep-16	7	Airports Authority of India
	JAMS/EAST/P/090716/170575/9	22-Sep-16	7	Airports Authority of India
	JAMS/EAST/P/090716/170575/10	26-Sep-16	7	Airports Authority of India
	JAMS/EAST/P/090716/170575/11	22-Sep-16	7	Airports Authority of India
	JAMS/EAST/P/090716/170575/12	26-Sep-16	7	Airports Authority of India
2	**Energisation of Plants**			
	400 Kv Kharagpur - Chaibasa D/C transmission line of PKTCL	13-May-16	Valid	Central Electricity Authority
	400 Kv Purulia - Ranchi D/C transmission line of PKTCL	27-Dec-16	Valid	Central Electricity Authority
3	**Forest Clearance**			
	Jharkhand - Saraikela and East Singhbhum	24-Sep-15	Valid	Ministry of Environment, Forests & Climate Change
	Kharagpur to Chaibasa	17-Jul-15	Valid	Ministry of Environment, Forests & Climate Change
	Rairangpur Forest Division in Mayurbhanj district of Odisha	4-Sep-15	Valid	Ministry of Environment, Forests & Climate Change
	Ranchi & Khunti district of Jharkhand	24-Sep-15	Valid	Ministry of Environment, Forests & Climate Change
	Purulia - Ranchi	22-Sep-16	Valid	Ministry of Environment, Forests & Climate Change
	Diversion of 2.696 ha of forest land under Rairangpur Forest Division for setting up the 400 kV D/C Kharagpur-Chaibasa transmission line.	4-Feb-22	Valid	Ministry of Environment, Forests & Climate Change
	Diversion of 59.501 ha forest land in Ranchi and Khunti district of Jharkhand for setting up the 400 kV D/C Purulia-Ranchi transmission line.	22-Mar-21	Valid	Ministry of Environment, Forests & Climate Change
4	**Road Crossing**			
	NH-6, Kharagpur to Behragora	5-Nov-15	Valid	National Highway Authority of India
	NH-23, Tengriya Village	27-Feb-16	Valid	National Highway Authority of India
	NOC for NH-75, Ranchi - Chaibasa - Jaintgarh	25-May-16	Valid	National Highway Authority of India
	Overhead crossing of 132 Kv D/C Gola Chandil transmission line	29-Jan-16	Valid	Damodar Valley Corporation Electricity Department
	Overhead crossing of 220 Kv D/C BTPS-Jamshedpur transmission line	29-Jan-16	Valid	Damodar Valley Corporation Electricity Department
	NH-33, Ranchi-Tata, near village Darbul.	9-Dec-15	Valid	National Highway Authority of India

Source: Investment Manager

Appendix 7.5: PKTCL: Approvals & Licences Summary (2/2)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
5	**Power Line Crossing**			
	Kharagpur-Chaibasa line over KTPP-Kharagpur line	11-May-16	Valid	West Bengal State Electricity Transmission Company Limited
	Kharagpur-Chaibasa line over Jamshedpur-Joda line	30-Dec-15	Valid	Damodar Valley Corporation Electricity Department
	Kharagpur-Chaibasa line over RCP-Joda line	30-Dec-15	Valid	Jharkhand Urja Sancharan Nigam Limited
	Kharagpur-Chaibasa line over Jamshedpur-Baripada line	4-Dec-15	Valid	Power Grid Corporation of India Limited
	Kharagpur-Chaibasa line over Chaibasa Mini Grid Substation to our Chaliyama Steel Plant	29-Jul-15	Valid	Rungta Mines Limited
	Ranchi-Chandwa line near village-Bero	7-Mar-16	Valid	Power Grid Corporation of India Limited
	Bero-Patratu line near village-Bero	17-Mar-16	Valid	Power Grid Corporation of India Limited
	Purulia-Ranchi line over Chandil line of Power Grid Corporation of India Limited	16-Feb-16	Valid	Power Grid Corporation of India Limited
	Purulia-Ranchi line over Gola-Chandil line	29-Jan-16	Valid	Damodar Valley Corporation Electricity Department
	Purulia-Ranchi line over BTPS-Jamshedpur line	29-Jan-16	Valid	Damodar Valley Corporation Electricity Department
	Purulia-Ranchi line over Hatia-Kamdara line	26-Feb-16	Valid	Jharkhand Urja Sancharan Nigam Limited
	Purulia-Ranchi line over Ranchi Bero line of Power Grid	7-Mar-16	Valid	Power Grid Corporation of India Limited
	Purulia-Ranchi line over Ranchi-Rourkela line	31-Dec-15	Valid	Power Grid Corporation of India Limited
6	**Power Telecommunication Co-ordination Committee ("PTCC") Clearance**			
	Kharagpur to Chaibasa line	10-May-16	Valid	Power Telecommunication Co-ordination Committee
	Purulia to Ranchi line	16-Jun-16	Valid	Power Telecommunication Co-ordination Committee
7	**Railway Crossing**			
	Haludpukur - Bahalda Road Railway Station	17-Feb-16	Valid	South Eastern Railway
	Purulia-Ranchi line over Suisa-Torang stations	8-Jul-16	Valid	South Eastern Railway
	Purulia-Ranchi line over Lodhma-Baisiring stations	8-Jul-16	Valid	South Eastern Railway
8	Transmission License	16-Jun-14	25	Central Electricity Regulatory Commission
9	**Diversion of Forest Land/ Permission for felling of trees**			
	Kharagpur Division	24-Sep-15	Valid	Government of West Bengal - Directorate of Forest
	Rairangpur Division	8-Oct-15	Valid	Office of the Divisional Forest Officer - Rairangpur Division
	Saraikela and Jamshedpur Division	21-Dec-15	Valid	Government of Jharkhand - Directorate of Forest
	Baghmundi Range	28-Oct-16	Valid	Government of West Bengal - Directorate of Forest
	Ranchi and Khunti Division	6-Jan-16	Valid	Government of Jharkhand - Directorate of Forest
10	**Transmission Service Agreement**			
	Power Grid Corporation of India Ltd - Kharagpur-Chaibasa Line	22-Dec-15	Valid	
	Long Term Transmission Customers (Various Parties)	6-Aug-13	35	
11	Approval for Adoption of Tariff	20-Aug-14		Central Electricity Regulatory Commission, New Delhi
12	Company Registration	15-Dec-12	Valid	Ministry of Corporate Affairs
13	Approval from GOI under section 164 of Electricity Act, 2003- under Gazette of India	7-May-15	25	Ministry of Power
14	Approval under section 68 of Electricity Act, 2003	29-May-13	Valid	Ministry of Power
15	Approval from CERC under section 17(3)	1-Apr-15	Valid	Central Electricity Regulatory Commission
16	Defence Clearance	Application Made		
17	Trial Operation of Transmission Element (Tower 223 & 224 Chaibasa-Kharagpur)	1-Aug-16	Valid	Power System Operation Corporation Limited
18	Trial Operation of Transmission Element (New Ranchi- New Purulia CKT-I & CKT-II)	10-Feb-17	Valid	Power System Operation Corporation Limited

Source: Investment Manager

Appendix 7.6: PTCL: Approvals & Licences Summary (1/1)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Company Registration	19-Dec-12	Valid	Ministry of Corporate Affairs
2	Transmission License	14-Jul-14	25	Central Electricity Regulatory Commissior
3	**Transmission Service Agreement**			
	Transmission Service Agreement between PTCL & Long Term Transmission Customers	12-May-14	35	
	Transmission Service Agreement between PTCL & Power Grid Corporation of India Ltd	23-May-16	Valid	Central Electricity Regulatory Commissior
4	**765KV Double Circuit Dharamjayagarh to Jabalpur Transmission Line- 09/DND/POW/2012-114**			
	Approval for Adoption of Tariff	5-Aug-14	Valid	Central Electricity Regulatory Commissior
	Corrigendum to the tariff order issued by CERC u/s 63 of the Electricity Act for adoption of transmission charges	19-May-17	Valid	Central Electricity Regulatory Commissior
5	Approval under section 68(1) of Electricity Act, 2003	16-May-13	Valid	Ministry of Power
	Approval from GOI under section 164 of Electricity Act, 2003 - under Gazette of India	21-Mar-16	25	Ministry of Power
6	Approval for Energisation under regulation 43 of CEA	27-May-16	Valid	Ministry of Power
7	Permission for change of land use	31-Dec-15	Valid	
8	**Aviation Clearance**			
	NOC for Height Clearance	9-Mar-17	Valid	Airport Authority of India
9	**Power & Telecommunication Coordination Committee ("PTCC") Clearance**			
	Patiala - Kaithlal Transmission Line at Patran	28-Apr-15	Valid	PTCC, Government of India
10	**Trial Run Certificate**			
	Patran-Kakrala, Patran-Patran I & II and Patran-Rajla	20-Oct-17	Valid	Power System Operation Corporation Lim
11	Approvals for the building plans of PTCL from competent authorities in relation to the construction of an electric sub-station in an area measuring 16.1435 acres at village Banwala and [illegible]			

Source: Investment Manager

Appendix 7.7: NRSS: Approvals & Licences Summary (1/4)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	**Company Related Registrations**			
	Certificate of Incorporation	29-07-2013	Valid	Registrar of Companies
	Certificate for Commencement of Business	18-10-2013	Valid	Registrar of Companies
	Transmission License	14-11-2014	25	Central Electricity Regulatory Commission
	Renewed registration of office of NRSS under the Shops and Establishments Act, 1954.	23-07-2021	31-03-2024	Government of Jammu & Kashmir, Shops & Establishment Act 1966
2	**765KV Double Circuit Dharamjayagarh to Jabalpur Transmission Line-09/DND/POW/2012-114**			
	400 KV S/C Jalandhar-Amritsar, 400 KV D/C Jalandhar - Moga LILO, 400 KV D/C Chamera - Jalandhar LILO, 400 KV D/C Chamera - Jalandhar, 800 KV S/C Krishnapur - Moga ckt-11, 400 KV D/C banala - Amritsar Transmission Lines by proposed 400 KV D/C jalandhar - Samba Line.	04-06-2015	Valid	Power Grid Corporation of India Ltd
	Overhead crossing of 800 KV KMTL-I by 400 KV Jalandhar-Samba TL.	06-07-2015	Valid	Power Grid Corporation of India Ltd
	Underneath crossing of 400 KV D/C Jalandhar - Samba Line with existing 400 KV D/C Kurushetra - Jalandhar	29-07-2015	Valid	Power Grid Corporation of India Ltd
	400 KV power line over 132 KV D/C Pattan Magam & 220 KV Zainakote - Amargrah Transmission Line	08-05-2017	Valid	J&K Power Development Department
	400 KV, D/C Transmission Line between location No. 39 & 40 of 132 KV - Barn Jourian Transmission Line	17-02-2016	Valid	Power Development Department (Jammu & Kashmir)
	Electrical clearance between span 179-180 existing line of 220KV D/C Bishnah - Hiranagar Transmission Line	03-11-2016	Valid	Power Development Department (Jammu & Kashmir)
	Kindly confirm whether licenses/ approvals mentioned in Annexure 3 are renewed or not. If not renewed, kindly provide reason for the same.	15-01-2016	Valid	Power Development Department (Jammu & Kashmir)
	400 KV D/C Samba-Amargrah Transmission Line	02-10-2016	Valid	Power Development Department (Jammu & Kashmir)
	Overhead power line crossing of 400 KV S/C Uri-11-Waqoora T/L by 400 KV Samba - Amargarh T/L	04-04-2017	Valid	Power Grid Corporation of India Ltd
3	**Transmission Service Agreeement**			
	Transmission Service Agreement between NRSS & Long Term Transmission Customers	02-01-2014	35	Central Electricity Regulatory Commission
	Transmission Service Agreement between NRSS & Power Grid Corporation of India Ltd	22-12-2015	Valid	Central Electricity Regulatory Commission

Source: Investment Manager

Appendix 7.7: NRSS: Approvals & Licences Summary (2/4)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
4	**River Crossing**			
	400 KV Double circuit Jalandhar-Samba Transmission Line	05-11-2015	Valid	Executive Engineer, Gurdaspur Division A.B.D.N
5	**Forest Clearance**			
	400 KV D/C Samba-Amargrah Transmission Line passing through Kathau, Jammu, Resai, Nowshera, Rajouri, Poonch, shopian & Pir-panjal Forect Divisions	16-09-2015	Valid	Department of Forest, Environment & Ecology
	400 KV substation Jalandhar to Sambha under Forest division and Districts Gurdaspur, Jalandhar and Pathankot, Punjab.	28-09-2015	Valid	Department of Forest, Environment & Ecology
6	**Railway Clearance**			
	400 KV electric overhead transmission crossing line between Telegraph post No. 58/9 and telegraph post No. 59/0 and between Ghagwal and Sambha Railway station on PKT-JAT section.	25-02-2016	Valid	Northern Railways
	400 KV electric overhead transmission crossing line between Telegraph post No. 76/8-9 and telegraph post No. 76/9 and between Gurdaspur and Dinanagar Railway station on AST-PKT section.	25-02-2016	Valid	Northern Railways
	400 KV electric overhead transmission crossing line between KM No. 60/0 and KM No. 60/1 and between Ghagwal and Sambha Railway station on PKT-JAT section.	09-06-2016	Valid	Northern Railways
7	**Aviation/Defence Clearance**			
	LOC for 400 KV D/C Jalandhar - Samba Transmission Line	22-02-2016	Valid	Airport Authority of India
	400 KV D/C LILO of Uri-Wagoora Transmission Line	01-08-2018	Valid	Airport Authority of India
	NOC for construction of 400KV D/C Jalandhar to Samba and Samba to AmargrahTransmission line	28-09-2017	Valid	Group Captain, Defence
	NOC of height clearance for construction of 400KV D/C Jalandhar to Samba	15-02-2016	Valid	Airport Authority of India

Source: Investment Manager

Appendix 7.7: NRSS: Approvals & Licences Summary (3/4)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
8	**Road Crossing**			
	NOC for crossing proposal of NH-15 at Km. 26.108 for laying of 400KV D/C Jalandhar-Samba Transmission Line	20-02-2016	Valid	Ministry of Road Transport and Highways
	NOC for crossing proposal of NH-01 at Km. 394+440 for laying of 400KV D/C Jalandhar-Samba Transmission Line	20-02-2016	Valid	Ministry of Road Transport and Highways
	NOC for crossing proposal of NH-01 at Km. 395+204 for laying of 400KV D/C Jalandhar-Samba Transmission Line	20-02-2016	Valid	Ministry of Road Transport and Highways
	Road crossing proposal 400KV D/C Line near Karhama	06-11-2016	Valid	Office of the Supreintending Engineer, PWD (R&B) Circle Baramulla/ Kupwara.
	NOC for road crossing proposal 400KV D/C line near Karhama.	14-02-2017	Valid	Office of Chief Engineer PW (R&B) Department, KMR
	Crossing of Transmission Line over Jammu - RS Pura Road	27-05-2017	Valid	Office of Chief Engineer PW (R&B) Department, Jammu
9	**Power Telecommunication Coordination Committee ("PTCC") Clearance**			
	400 KV D/C Jallandhar-Sambha Transmission Line	02-12-2016	Valid	PTCC, Government of India
	400 KV D/C LILO- URI-wagoora Line	23-03-2018	Valid	PTCC, Government of India
	400 KV D/C Samba Amargrah Transmission Line	03-11-2016	Valid	PTCC, Government of India
	400 KV D/C Jallandhar-Sambha Transmission Line	14-02-2017	Valid	PTCC, Government of India
	LILO of both circuit of Uri-Wagoora 400 KV D/C Line at Amargarh Substation.	04-10-2018	Valid	PTCC, Government of India
10	**Energisation Clearances**			
	Approval under regulation 43 of CEA Regulations 2010 for energisation 400/220 kv GIS Sub Station.	26-11-2023	2	Central Electricity Authority
	Approval under regulation 43 of CEA Regulations 2010 for energisation 400KV D/C Jalandhar-Samba Line.	27-11-2022	2	Central Electricity Authority
	Approval under regulation 43 of CEA Regulations 2010 for energisation LILO of both circuits of Uri-Wagoora 400 kv D/C line at 400/220 kv GIS at Amargrah, Srinagar.	26-11-2023	2	Central Electricity Authority
	Approval under regulation 43 of CEA Regulations 2010 for energisation 400KV D/C Samba-Amargarh Line.	27-11-2022	2	Central Electricity Authority

Source: Investment Manager

Appendix 7.7: NRSS: Approvals & Licences Summary (4/4)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
11	**Approval under Electricity Act, 2003**			
	Approval from GOI under section 164 of Electricity Act, 2003	17-09-2015	25	Central Electricity Authority
	Approval u/s 68 of the Electricity Act, 2003 for laying overhead transmission line.	19-09-2013	Valid	Ministry of Power
	Approval from CERC under section 17(3)	01-08-2018	Valid	Central Electricity Regulatory Commission
12	**Approval for adoption of Tariff**			
	Approval for adoption of Tariff	10-12-2014	Valid	Central Electricity Regulatory Commission
	Revised approval for adoption of Tariff	12-06-2017	Valid	Central Electricity Regulatory Commission
13	**Trial Run Certificate**			
	400 KV Jalandhar-Samba lines I & II	28-12-2016	Valid	Power System Operation Corporation Limited
	400/220 KV, 315 MVA-1 (3X105 MVA) along with associated 400 KV bay 403(main) & 220 KV bay 203 at amargarh, 400/220 KV, 315 MVA-2 (3X105 MVA) along with associated 400 KV bay 406(main) & 220 KV bay 209 at amargarh, 220 KV bay no 202 at Zainkote-Amargarh at Amargarh, 220 KV bay no 206 at Delina-Amargarh at Amargarh.	03-07-2018	Valid	Power System Operation Corporation Limited
	400 KV, 3-Ph MVAR Bus Reactor-1 along with associated 400 KV bay 415(main)& 414(tie) at Amargarh, 400 KV, 3-Ph 63 MVAR Bus Reactor-2 at Amargarh.	04-07-2018	Valid	Power System Operation Corporation Limited
	400 KV Uri1(NHPC)-Amargarh-1 and associated bays 410(main) & 411(tie) at Amargarh,	22-05-2018	Valid	Power System Operation Corporation Limited
	400 KV Amargarh-Samba (PG)-1 along with 50 MVAR Non-switchable line reactors at Amargarh end and associated bays 401(main) & 402(tie) at	20-09-2018	Valid	Power System Operation Corporation Limited

Source: Investment Manager

Appendix 7.8: OGPTL: Approvals & Licences Summary (1/7)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	**Transmission License**			
	Transmission License	30-Jun-16	25	Central Electricity Regulatory Commission
2	**Forest Clearance**			
	FRA- Jharsuguda: OGPTL Transmission Line in Lakhanpur Tehsil and Jharsuguda Tehsil	13-Oct-16	Valid	District Collector, Jharsuguda (Govt. of Odisha)
	FRA- Sundargarh: NOC against forest diversion proposal	24-Oct-16	Valid	Ministry of Environment and Forests
	765KV Double Circuit Dharamjayagarh to Jabalpur Transmission Line- 09/DND/POW/2012-114	21-Dec-21	Valid	Ministry of Environment and Forests
	Diversion of 30.134 hectares of forest land for setting up of the OPGC-Jharsuguda 400 kV D/C transmission line.	19-Sep-22	Valid	Ministry of Environment and Forests
	Diversion of 94.656 hectares of forest land for setting Jharsuguda (Sundargarh) Rajpur 765 kV D/C transmission line.	22-Jun-22	Valid	Ministry of Environment and Forests
	FRA Revised- Jharsuguda: OGPTL Transmission Line in Lakhanpur Tehsil and Jharsuguda Tehsil	02-May-17	Valid	District Collector, Jharsuguda (Govt. of Odisha)
	OGPTL Raipur Transmission Line in Bematra	20-Jan-17	Valid	Ministry of Environment and Forests
	OGPTL Raipur Transmission Line in Bilaspur	04-Feb-17	Valid	Ministry of Environment and Forests
	OGPTL Raipur Transmission Line in Janjgir District	10-Feb-17	Valid	Ministry of Environment, Forests & Climate Changes
	OGPTL Raipur Transmission Line in Kharsia tehsil	27-Apr-17	Valid	Ministry of Environment, Forests & Climate Changes
	NOC against forest diversion proposal, Tangarpali	-	Valid	Tehsildar, Tangarpali
	NOC against forest diversion proposal, Lehripara	20-Mar-17	Valid	Tehsildar, Lehripara
	NOC against forest diversion proposal, Hemgir	03-Mar-17	Valid	Tehsildar, Hemgir
3	**Power & Telecommunication Coordination Committee ("PTCC") Clearance**			
	Approval to the route of Power transmission line of 400 KV D/C Sundargarh - Jharsuguda (OPGC)	16-Jun-17	Valid	Power Telecommunication Co-ordination Committee
	Approval to the route of Power Transmission Line of 765 KV D/C Raipur - Jharsuguda (For Chattisgarh Portion)	18-Apr-18	Valid	Power Telecommunication Co-ordination Committee
	Approval to the route of Power Transmission Line of 765 KV D/C Raipur - Jharsuguda (For Odisha Portion)	05-Sep-17	Valid	Power Telecommunication Co-ordination Committee
4	**Railway Crossing**			
	400 KV Double Circuit over head transmission line of M/s OGPTL/ Jharsuguda crossing over the railway track in between Malidh - Kechobahal Station in Chakradharpur Division (Drg No. OGPTL/400/RLY/28-29-REV-01)	10-Aug-17	Valid	Senior Divisional Electrical Engineer (S.E. Railway)
	400 KV Electrical track crossing at KM 522/7-522/10 in between Jharsuguda & IB Railway Stations (Drg No. OGPTL/400/RLY/38-39).	22-Jun-17	Valid	Senior Divisional Electrical Engineer, SEC Railway

Source:Investment Manager

Appendix 7.8: OGPTL: Approvals & Licences Summary (2/7)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
	400 KV D/C IBTPS - OPGC Jharsuguda (Sundergarh) Transmission Line - Spotting of dead end tower & railway crossing approval in line of the tower between 59/0 & 60/0	06-Dec-16	Valid	Odisha Power Generation Corporation Limited
	765 KV Cover Over head power line crossing in between Hathbandh and Bhatapara stations (Drg No. OGPTL/RLY/38-39 REV-2)	11-Dec-17	Valid	South East Central Railway
	765 KV Cover Over head power line crossing in between Nipaniya Railway and Lafarge Cement plant (DRG no- OGPTL/RLY/58-59).	11-Dec-17	Valid	South East Central Railway
	765 KV Sundargarh - Raipur D/C transmission line of OGPTL over SEC Railway line crossing in between station Kharsia and Jharidhi at AP 96-97	01-May-17	Valid	South East Central Railway
	765 KV Electrical track at AP 102 & AP103 in between Dharamjaygarh & Kharsia railway stations.	24-Mar-17	Valid	South East Central Railway
5	**Road Crossing**			
	Permission of Overhead crossing over NH-49 near village Budipur	20-Jan-17	Valid	Office of Chief Engineer, National Highways
	Permission of Overhead crossing over NH-49 AP-99 AP-99A reg	05-Aug-16	Valid	Public Works Department
	Permission of Overhead crossing over NH-200 AP-100 AP-101 reg	05-Aug-16	Valid	Public Works Department
	Permission of Overhead crossing over NH-200 AP-105 AP-106 reg	05-Aug-16	Valid	Public Works Department
	OGPTL Highway crossing at AP72-AP73	13-Jul-16	Valid	Public Works Department
	Power Line crossing with highway at AP80-AP81	20-Jul-16	Valid	Chattisgarh Road Development Authority
6	**Power Line Crossing**			
	Approval for Power line Crossing of 400 KV - Jharsuguda line of OGPTL over IBEUL 400 KV line between tower Loc no:41 and 42 and between Loc no.4&5 at Sundargarh.	02-Feb-17	Valid	Ind-Barath Energy (Utkal) Limited
	Approval of proposal for underneath crossing of your 400 KV D/C OPGC-Sundargarh transmission line between Loc no.12/2 and 13/0 under 765KV D/C Jharsuguda(Sundergarh)-Darlipalli of PGCIL at Kenapalli village,Thasil-Tangarpalli,Dist-Sundargarh.	25-Jun-17	Valid	Power Grid Corporation of India Limited

Source: Investment Manager

Appendix 7.8: OGPTL: Approvals & Licences Summary (3/7)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
	Power line crossing proposal - Over crossing by 400 KV D/C OPGC - Sundargarh T/L of 400 KV D/C Rourkela-Raigarh D/C TL -1 and 2.	20-Oct-16	Valid	Power Grid Corporation of India Limited
	Approved profile and detailed survey report of power line crossing over 400 KV OPGC-Jharsuguda D/C of Odisha Generation Phase-II.	24-Oct-16	Valid	Odisha Power Transmission Corporation Litd.
	Approval of Overhead crossing of 400 KV D/C OPGC Jharsuguda line in between loc no. 6 and 7 with existing 220 KV s/c Budhipadar-Korba 3 line.	22-Nov-16	Valid	Power Grid Corporation of India Limited
	EHV Power Line overhead crossing of existing (i) 400 KV DCDS Khedamara -Korba West and Khedamara Marwa PH Circuit (ii) 220 KV DCSS Khedamara - Bemetara line of CSPTCL by under construction 765 KV D/C Sundargarh (Jharsuguda)-Raipur Transmission Line of M/s Odisa Generation Phase II Transmission Ltd.	16-Dec-16	Valid	Chhattisgarh Power Transmission Company Limited
	Overhead Crossing of the following Powergrid's Transmission Lines: 765 KV D/C Durg-Kotra 1&2 765 KV D/C Durg-Champa 1&2 400KV S/c Korba -Bhilai 1 400KV S/c Korba -Bhilai 1 400KV d/c Sipat -Raipur 3	07-Sep-16	Valid	Power Grid Corporation of India Limited
	EHV Power Line overhead crossing of existing (i) 400 KV DCDS Khedamara - Korba West and Khedamara Marwa PH Circuit (ii) 220 KV DCSS Khedamara - Bemetara line of CSPTCL by under construction 765 KV D/C Sundargarh (Jharsuguda)-Raipur Transmission line of M/s	05-Oct-16	Valid	Chhattisgarh State Power Transmission Company Limited
	EHV Power Line overhead crossing of existing (i) 400 KV Korba-Raita and Raita-Khedamara DCDS line of CSPTCL by under construction 765 KV D/C Sundargarh (Jharsuguda)-Raipur Transmission line of M/s Odisa Generation Phase II Transmission Ltd.	06-Jan-17	Valid	Chhattisgarh State Power Transmission Company Limited
	Provisional Approval of overhead crossing of 765 KV TL line of PGCIL by under construction 765 KV D/C Sundergarh-Raipur line of M/s OGPTL	29-Oct-16	Valid	Power Grid Corporation of India Limited
	Approval of overhead crossing of existing 132 KV DCDS Simga-Bhilai line of CSPTCL by under construction 765 KV Raipur-Sundergarh (Jharsuguda) D/C Transmission line of OGPTL	02-Aug-17	Valid	Chhattisgarh State Power Transmission Company Limited
	Approval for overhead crossing of existing 132 KV Simga Century Cement line of CSPTL by under construction 765 KV D/C Sundargarh - Raipur Transmission line of OGPTL.	23-Dec-16	Valid	Chhattisgarh State Power Transmission Company Limited

Source:Investment Manager

Appendix 7.8: OGPTL: Approvals & Licences Summary (4/7)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
	Approval for overhead crossing of existing 132 KV DCDS Simga-Tulsi line of CSPTL by under construction 765 KV D/C Sundargarh - Raipur Transmission line of OGPTL.	28-Mar-17	Valid	Chhattisgarh State Power Transmission Company Limited
	EHV Power line overhead crossing of existing 400 KV DCDS Marwa-Raita line of CSPTCL by under construction 765 KC D/C Sundargarh - Raipur Transmission line of OGPTL.	05-Jun-17	Valid	Chhattisgarh State Power Transmission Company Limited
	EHV Power Line overhead crossing of existing 220 KV DCDS Suhela-Bemetara line of CSPTCL by under construction 765 KV D/C Sundargarh(Jharsuguda) - Raipur Transmission line.	13-Feb-17	Valid	Chhattisgarh State Power Transmission Company Limited
	EHV Power Line overhead crossing of existing 220 KV DCDS Suhela-Bemetara line of CSPTCL by under construction 765 KV D/C Sundargarh(Jharsuguda) - Raipur Transmission line.	16-Dec-17	Valid	Chhattisgarh State Power Transmission Company Limited
	EHV Power Line overhead crossing of existing 220 KV DCDS Korba-Banari-Suhela line of CSPTCL by under construction 765 KV D/C Sundargarh(Jharsuguda) - Raipur Transmission line.	28-Mar-17	Valid	Chhattisgarh State Power Transmission Company Limited
	Approval of 765KV Over Head Power line crossing at Km AC 9/10 and AC 9/11 in between Bhatapara Railway station and Ambuja cement plant.	11-Dec-17	Valid	South East Central Railway
	Approval of overhead crossing of existing 132 KV DCDS Bhatapara-Balodabazar line and 132 KV S/C Chilhati-Bhatapara line of CSPTCL by under construction 765 KV Raipur - Sundargarh of OGPTL.	28-Mar-17	Valid	Chhattisgarh State Power Transmission Company Limited
	Construction of 765KV D/C Sundargarh-Raipur Transmission Line-Power Line of OGPTL crossing approval reg.	21-Jul-16	Valid	Sai Lilagar Power Limited
	Approval for overhead crossing of existing 132 KV S/C Aresmeta-Bharatpura line of CSPTCL by under construction of 765 KVD/C Sundargarh-Raipur Transmission line of OGPTL.	21-Oct-16	Valid	Chhattisgarh State Power Transmission Company Limited
	Approval for overhead crossing by 765 HV D/C Sundargarh-Raipur Transmission Line of 400 KV KSK LILO Line 1 and 2 Transmission Line .	02-Jul-16	Valid	KSK Mahanadi Power Company Limited
	Approval for overhead crossing of existing 132 KV DCDS Jaijaipur LILO line of CSPTCL by under construction 765 KV D/C Sundargarh-Raipur Transmission line.	05-Oct-16	Valid	Chhattisgarh State Power Transmission Company Limited
	Conditional approval of crossing proposal for CWRTL's KV S/C Raigarh to Champa Transmission Line by OGTPL's 765 KV D/C Sundargarh to Raipur Transmission Line.	04-Nov-16	Valid	Chhattisgarh-WR Transmission Limited
	Approval towards overhead crossing of 765 KV D/C Sundargarh - Raipur TL of M/s OGPTL with 400 KV D/C Lara-Champa TL	11-Jul-17	Valid	Power Grid Corporation of India Limited
	Approval of overhead crossing of 765 Kv D/C Jharsuguda - Raipur Transmission Line in between loc no 141 and 42 with existing 765 Kv Kotra-Champa Line.	05-Jan-17	Valid	Power Grid Corporation of India Limited

Source: Investment Manager

Appendix 7.8: OGPTL: Approvals & Licences Summary (5/7)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
	Approval of overhead crossing of existing 132 KV DCDS Champa-Chapley line of CSPTL by under construction 765 KV Raipur-Sundargarh D/C Transmission line of OGPTL	10-Jul-17	Valid	Chhattisgarh State Power Transmission Company Limited
	Approval of overhead crossing of 765 KV D/C Jharsuguda - Raipur Transmission Line in between loc no 345 and 346 with 220 KV Korba-Budhipadar Line.	29-Apr-17	Valid	Power Grid Corporation of India Limited
	Approval of overhead crossing of 765 KV D/C Jharsuguda - Raipur Transmission Line in between loc no AP110 and AP111.	12-Jan-17	Valid	Power Grid Corporation of India Limited
	Approval for crossing of proposed 765 KV line over 400 KV DCDS Tamnar-Raipur line of M/s Jindal Power Ltd. Between Loc No. 63 and 64.	06-Oct-16	Valid	Jindal Power
	EHV Power Line overhead crossing of existing 132 KV S/C Gerwani - Gharghoda line of CSPTCL by under construction 765 KV D/C Sundargarh-Raipur Transmission Line.	24-Nov-16	Valid	Chhattisgarh State Power Transmission Company Limited
	Approval of overhead crossing of existing 220 KV DCDS Tamnar-Raigarh line of CSPTCL by under construction 765 KV Raipur-Sundargarh D/C Transmission line	24-Apr-17	Valid	Chhattisgarh State Power Transmission Company Limited
	Approval for crossing of proposed 765 KV line over 220 KV U/C line of M/S JSPL DCPP to Punjipatra line Loc-AP-55 and 55/1 village Parkiphari,Tamnar.	19-Jan-17	Valid	Jindal Power
	Approval of Overhead Line Crossing of JSPL 220 KV d/c DCPP to Punjipatra JSPL Transmission bu OGPTL 765 KV D/C U/C Transmission Line Sundargarh.	12-Jan-17	Valid	Jindal Power
	Provisional Approval of 765 KV Sundargarh - Raipur D/C transmission Line of OGTPL OVER s.e.c Railway line crossing at chainage 24/200 and 24/250 and in between Lara and Talaipalli coal mine at AP 118-AP 119 of OGTPL.	24-Mar-17	Valid	S.E.C. Railway
	Proposal for Power Line under crossing of 765 KV D/C Jharsuguda-Dharamjaygarh Transmission line of POWERGRID BY 765 KV D/C Raipur-Jharsuguda Transmission line of M/s OGPTL.	04-Oct-17	Valid	Power Grid Corporation of India Limited
	Approval for the proposal for crossing of 765KV D/C Sundargarh-Raipur Transmission line of OGPTL over the 400KV D/C Sundargarh-Ind-Barath,Sahajbahal TPS Tr.lines between Loc 3 and Loc 4 at Mahulpali Village,Tahasil-Tangarpali in Dist-Sundargarh at AP-141 and 142 of OGTPL.	25-Aug-16	Valid	Ind-Barath Energy (Utkal) Limited
	Approval for power line crossing of 765 KV Sundargarh-Raipur D/C Transmission Line of Vedanta Ltd.crossing between tower no 1 and 2 in village Mahulpalli of Tehasil:Tangarpalli in District: Sundargarh at AP 141 to AP 142 of OGTPL.	22-Aug-16	Valid	Vedanta

Source: Investment Manager

Appendix 7.8: OGPTL: Approvals & Licences Summary (6/7)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
7	**Aviation Clearance**			
	NOC for Height Clearance JHAR/EAST/P/121216/186256/2	20-Dec-16	7	Airport Authority of India
	NOC for Height Clearance JHAR/EAST/P/121216/186256/3	20-Dec-16	7	Airport Authority of India
	NOC for Height Clearance JHAR/EAST/P/121216/186256/5	20-Dec-16	7	Airport Authority of India
	NOC for Height Clearance JHAR/EAST/P/121216/186256/4	19-Dec-16	7	Airport Authority of India
	NOC for Height Clearance JHAR/EAST/P/121216/186256/6	19-Dec-16	7	Airport Authority of India
	NOC for Height Clearance JHAR/EAST/P/121216/186256/7	19-Dec-16	7	Airport Authority of India
	NOC for Height Clearance JHAR/EAST/P/121016/185844	14-Dec-16	7	Airport Authority of India
	NOC for Height Clearance JHAR/EAST/P/121016/185844/2	14-Dec-16	7	Airport Authority of India
	NOC for Height Clearance JHAR/EAST/P/121016/185844/3	14-Dec-16	7	Airport Authority of India
	NOC for Height Clearance JHAR/EAST/P/121316/186287/2	19-Dec-16	7	Airport Authority of India
	NOC for Height Clearance JHAR/EAST/P/121316/186287/3	19-Dec-16	7	Airport Authority of India
	NOC for Height Clearance JHAR/EAST/P/121316/186287/4	19-Dec-16	7	Airport Authority of India
	NOC for Height Clearance JHAR/EAST/P/121316/186287/5	20-Dec-16	7	Airport Authority of India
	NOC for Height Clearance JHAR/EAST/P/121316/186287/6	20-Dec-16	7	Airport Authority of India
	NOC for Height Clearance JHAR/EAST/P/121316/186287/7	20-Dec-16	7	Airport Authority of India
	NOC for Height Clearance JHAR/EAST/P/121016/185844/5	19-Dec-16	7	Airport Authority of India
8	**Defence Clearance**			
	NOC from aviation angle for construction of Transmission line from Raipur to Sundergarh	10-Mar-17	Valid	Ministry of Defence
9	**Transmission Licence Order**			
	Transmission Licence Order	30-Jun-16	Valid	Central Electricity Regulatory Commission
10	**Approval for adoption of Tariff**			
	Approval for adoption of Tariff (Approval u/s 63 of Electricity	31-May-16	Valid	Central Electricity Regulatory Commission
11	**Trial Operation Approval**			
	Trial Operation Approval - 400 KV OPGC - Jharsuguda Line	04-Jan-18	Valid	Power System Operation Corporation Limited
	Trial Operation Approval - 765 KV Raipur - Jharsuguda Line	06-Apr-19	Valid	Power System Operation Corporation Limited

Source: Investment Manager

Appendix 7.8: OGPTL: Approvals & Licences Summary (7/7)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
12	**Tree Cutting Permission**			
	Diversion of 30.134 ha of forest land for construction of 400 KV D/C OPGC Ltd, Jharsuguda - Sundargarh transmission line in Jharsuguda and Sundargarh district in Odisha.	27-Jun-17	Valid	Office of the Divisional Forest Officer, Jharsuguda Forest Division
	Diversion of 30.134 ha of forest land for construction of 400 KV D/C transmission line from OPGC Banharpali IB Thermal Power plant in Jharsuguda District to 765 KV/400 KV PGCIL switchyard at Kenapali in Sundargarh District	06-Jul-17	Valid	Office of the Divisional Forest Officer, Jharsuguda Forest Division
	Diversion of 71.761 ha of forest land for construction of 765 KV double circuit transmission line from Jharsuguda (Sundargarh) - Raipur Pooling station in Raigarh, Durg, Bilaspur Jangir Champa and Bemetara districts in the State of Chattisgarh.	30-Jan-18	Valid	Office of the Divisional Forest Officer, Chattisgarh
	Diversion of 95.656 ha of forest land Sundargarh forest division for construction of 765 KV D/C Transmission line from 765 KV/400 KV PGCIL switchyard at Kenapali in Sundargarh District, Odisha.	20-Apr-18	Valid	Office of the Divisional Forest Officer, Chattisgarh
13	**Transmission Service Agreement**			
	Transmission service agreement with Power Grid Corporation of India Limited	27-Apr-18	Valid	Central Electricity Regulatory Commision (CERC)
	Transmission Service Agreement with Customers	20-Nov-15	35	Central Electricity Regulatory Commision (CERC)
14	**Energisation Clearance**			
	400 kV D/C OPGC - Jharsuguda Transmission Line (length = 51.35 Km)	23-Aug-17		Central Electricity Authority, Ministry of Power
15	**Approval under Electricity Act, 2003**			
	Approval from GOI under section 164 of Electricity Act, 2003	06-Mar-17	25	Central Electricity Authority
	Approval u/s 68 of the Electricity Act, 2003 for laying overhead transmission line.	03-Jun-15	Valid	Ministry of Power
	Approval u/s 61 of Electricity Act, 2003	NA	NA	Central Electricity Regulatory Commission

Source: Investment Manager

Appendix 7.9: ENCIL: Approvals & Licences Summary (1/5)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	**Company Related Registrations**			
	Transmission License	20/10/2010	25	Central Electricity Regulatory Commission
	Certificate for Commencement of Business	23/05/2007	Valid	Registrar of Companies
2	**Power Line Clearance (Crossing Proposal)**			
	NOC for 400 kV D/C (Quad) Bongaigaon - Siliguri Transmission Line crossing over 132 KV S/C Birpara - Pundibara & Alipurduar - Coochbehar Tr. Lines of WBSETCL.	14-05-2012	Valid	West Bengal State Electricity Transmission Company Limited
	765KV Double Circuit Dharamjayagarh to Jabalpur Transmission Line-09/DND/POW/2012-114	16/08/2012	Valid	Power Grid Corporation of India Limited
	NOC by BSEB on Overhead crossing of BSEB lines by 400 KV D/C Biharshariff - Purnea Transmission Line	21/08/2012	Valid	Bihar State Electricity Board - Patna
	Approval for Power Line Crossing of 400 KV D/C (Quad) Purnea - Biharshariff transmission line over 400 KV D/C (Quad) Purnea - Muzaffarpur Transmission Line of Powerlinks	29/05/2012	Valid	Powerlinks Transmission Limited
	Approval of overhead crossing of Powergrid lines by under construction 400 KV D/C Biharsharif - Purnea Line (Revised)	24/05/2012	Valid	Power Grid Corporation of India Limited
	Power Line Crossings of 400 KV Quad Bongaigaon - Binaguri Transmission Line	25/11/2012	Valid	Power Grid Corporation of India Limited
	Power Line Crossings of 400 KV Quad purnea - Biharsharif transmission line with 400 KV -Kahalgaon-Patna.	16-08-2012	Valid	Power Grid Corporation of India Limited
	Crossing of Powergrid lines by under construction 400kv D/C Biharsharif - Purnea Line.	15-10-2012	Valid	Power Grid Corporation of India Limited
	Power Line Crossings of 400 KV Quad purnea - biharsharif transmission line with 400 KV -Kahalgaon-Patna.	23-03-2012	Valid	Power Grid Corporation of India Limited
	Crossing of Powergrid lines by under construction 400 KV D/C Biharsharif - Purnea Line.	15-10-2012	Valid	Power Grid Corporation of India Limited
	Approval of overhead crossing for construction of 400 Kv D/C Biharshariff - purnea Line.	29-05-2012	Valid	Powerlinks Transmission Limited
	Approval of overhead crossing of powergrid and lines by under construction of 400 KV D/C Biharshariff - Purnea Line.	05-04-2012	Valid	Power Grid Corporation of India Limited
	Power Line Crossings of 400 KV Quad Bongaigaon - Siliguri Transmission Line	27-08-3013	Valid	Assam electricity frid corporation ltd.
	Construction of Purnea -Biharsharif 400 KV dc line by m/s. ENICL	21-02-2012	Valid	Central Electricity Authority
	Power line crossing of 400 KV D/C(Quad) Bongaigaon -New siliguri of M/s ENICL with existing 220 KV and 400 kv Tls of Powergrid	15-11-2012	Valid	Power Grid Corporation of India Limited

Source: Investment Manager

Appendix 7.9: ENCIL: Approvals & Licences Summary (2/5)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
3	**Transmission Service Agreement**			
	Transmission Service Agreement between ENICL & Long Term Transmission	08-06-2009	25	Central Electricity Regulatory Commission
	Transmission Service Agreement between ENICL & CTU	28/01/2013	Valid	Central Electricity Regulatory Commission
4	**River Crossing**			
	Crossing river Ganga between SAMHO and Mahenderpur in Patna - Munger stretch by 400 KV D/C (Quad) transmission line from Purnea - Bihar Sharif	23/09/2011	Valid	Inlands Waterways Authority of India
5	**Forest Clearance**			
	8.4226 ha of forest land for 400 KV D/C transmission line by ENICL from S/S of Power Grid, Salakali to Siliguri in Satbhendi Reserve Forest under Haltugaon	11-03-2014	Valid	Ministry of Environment & Forest (Government of Assam)
	1.564 ha of forest land under Cooch Behar Forest for 400 KV/DC Bongaigaon - Siliguri transmission by M/s ENICL.	02-06-2014	Valid	Ministry of Environment & Forest (Government of West Bengal)
	Simplified procedure for grant of permission for felling of trees standing on forest land to be divided for execution of linear projects	08-08-2014	Valid	Ministry of Envirnoment & Forest and Climate Change
6	**Railway Clearance**			
	OH track crossing at Km 24/2-3 between Belakoha railway station and Raninagar railway station for 400 KV D/C transmission line	25/07/2013	Valid	North-East Frontier Railway
	Permission for stringing 400 KV - DC electrical overhead line crossing across the Rly. Track in between i) Pawapuri & Nalwanda Rly. Stn. At T.P. No. 35/10 - 35/11 & ii) Dumri 'H' & Dhurant 'H' Rly. Stn. At EM No. 429/32 - 429/34 on ML.	14/05/12	Valid	East Central Railway
	400 KV overhead Rail Track between Kasing Manasi and Badlaghat Railway Station	19/02/2013	Valid	East Central Railway
	400 KV overhead Rail Track between Olapur and Khagaria Railway Station	12-09-2012	Valid	East Central Railway
	Railway Track Crossing by Overhead 400 KV D/C (Quad) transmission line between Km 94/6-7 between Falakala - Gumanihat Stations	20/12/2012	Valid	North-East Frontier Railway
	Railway Track Crossing by Overhead 400 KV D/C (Quad) transmission line between Km 7/9 - 8/0 between Maynaguri Road - Bhotpati Stations	20/12/2012	Valid	North-East Frontier Railway
	Railway Track Crossing by Overhead 400 KV D/C (Quad) transmission line between Km 141/1-2 between New Alipurduar - Baneshwar Stations	20/12/2012	Valid	North-East Frontier Railway
	Railway Track Crossing by Overhead 400 KV D/C (Quad) transmission line between Km 166/7-8 between Kamakhayaguri-Jorai Stations	09-01-2013	Valid	North-East Frontier Railway
	Railway Track Crossing by Overhead 400 KV D/C (Quad) transmission line between Km 7/6-7 between New Alipurduar - Baneshwar Stations	20/12/2012	Valid	North-East Frontier Railway
	Railway Track Crossing by Overhead 400 KV D/C (Quad) transmission line between Km 34/9-35/0 between Jalpaiguri Road - New Domohani Stations	20/12/2012	Valid	North-East Frontier Railway

Source: Investment Manager

Appendix 7.9: ENCIL: Approvals & Licences Summary (3/5)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
7	**Aviation Clearance**			
	Aviation clearance for Bongaigaon -Siliguri & Purnea - Biharsharif - 400 KV D/C line of M/S ENCIL	01-10-2012	Valid	Airport Authority of India
	NOC for Construction of 400 KV D/C (quad) Transmission line from Bongaigaon to	13-11-2013	Valid	Airport Authority of India
8	**Road Crossing**			
	NOC for NH-31C crossing near Joimaa, Gossaigaon for 400 KV DC Quad Siliguri - Bongaigaon Transmission Line.	28/11/2013	Valid	National Highway Authority of India
	Permission for crossing NH-31 (Falakata - Pundibari Realignment) near Cooch Behar T.E.(at Km. 945.910) for 400 KV DC Quad Siliguri - Bongaigaon Transmission Line.	30/01/2014	Valid	National Highway Division - X (Govt. of West Bengal)
	NOC for T/L near Dariyapur (AP39/0 and 40/0) for 400KV D/C (Quad) from Purnea - Biharsharif on NH-80 in Bihar	07-01-2014	Valid	National Highway Authority of India
	NOC for T/L near Shabpur Kamal (AP59/0 and 60/0) for 400KV D/C (Quad) from Purnea - Biharsharif on NH-31 in Bihar	09-10-2013	Valid	National Highway Authority of India
	NOC for OH Crossing on NH-107 near Pipra Kaithi Mor (AP80/0 and AP81/0) for 400KV D/C (Quad) Purnea Bihar Sharif T/L	12-12-2013	Valid	National Highway Division
	NOC for NH. 106 near Sapardh (94/0 and 95/0) for 400 KV D/C (Quad) transmission line from Purnea Bihar Sharif .	26-12-2013	Valid	National Highway Division
	NOC for transmission line near Harda (AP126/0 and 127/0) for 400 KV D/C (Quad) from Purnea Bihar Sharif on NH-31 in the state of Bihar.	07-01-2014	Valid	National Highways Authority of India
	NOC for crossing overhead for 400 KV DC Quad Siliguri - Bongaigaon Transmission Line.	20-01-2014	Valid	State Highway Circle IV- (Gov. of West Be
	NOC for crossing overhead electrical line at Cooch Behar Baneswar - Alipurduar & 764th km of Sonapore to Pundibari	06-01-2014	Valid	Coochbear Highway Division (Government of West Bengal)
	NOC in respect to overhead crossing of 400kv DC quad transmission line (over NH 31D in between km.123 and km.124 (SH-12A) near Paharpur in the district of Jalpaiguri EOT Reg.	11-04-2014	Valid	National Highway Division - X (Govt. of West Bengal)
	NOC for crossing 400kv dc quad Siliguri-Bongaigaon Transmission line over Maynaguri - Chengrabandha Road (SH-12A) near 4.5km .	18-12-2013	Valid	Jalpaiguri Highway Division (Government of West Bengal)
	Submission of NH-31C Salsalabari to Barobisha crossing near Telipara for 400 KV DC Quad Siliguri - Bongaigaon Transmission Line.	04-06-2014	Valid	National Highways Authority of India
	Permission for construction of overhead power line across Kokrajhar - Karigaon Road	04-06-2014	Valid	Government of Assam
	NOC Regarding overhead crossing on MDR near Bachauta crossing (7214 & 7215) for 400kv DC Quad Siliguri - Bongaigaon Transmission Line.	14-12-2013	Valid	National Highways Authority of India
	NOC for SH77 near Ratha crossing (AP113 &113/1) for 400 KV DC Quad Siliguri - Biharsharif Transmission Line.	31-10-3013	Valid	Bharat State Road Development Corporation Ltd (Government of Bihar)

Source: Investment Manager

Appendix 7.9: ENCIL: Approvals & Licences Summary (4/5)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
9	**Power Telecommunication Coordination Committee ("PTCC") Clearance**			
	400 KV D/C (Quad) Bongaigaon-Siliguri Transmission Line	12-06-2012	Valid	PTCC, Government of India
	400 KV D/C (Quad) Purnea-Biharshariff Transmission Line	15/05/2013	Valid	PTCC, Government of India
	400 KV D/C (Quad) Bongaigaon-Siliguri Transmission Line	05-12-2012	Valid	PTCC, Government of India
	PTCC passed for 400 KV D/C (Quad) Bongaigaon-Siliguri Transmission Line	17-10-2011	Valid	PTCC, Government of India
	PTCC Approval for 400 KV D/C (Quad) Bongaigaon-Siliguri Transmission Line	04-12-2012	Valid	Office of Divisional Engineer Telecom
	400 KV D/C (Quad) Bongaigaon-Siliguri Transmission Line	24-11-2012	Valid	Central Electricity Authority
	PTCC Clearance proposal in respect for 400 KV D/C (Quad) Purnea - Biharsharif Transmission Line	27-02-2012	Valid	Central Electricity Authority
	PTCC Approval for 400 KV D/C (Quad) purnea - Biharsharif Transmission Line	03-12-2012	Valid	Central Electricity Authority
	Certificate - 400 KV D/C (Quad) Purnea-Biharshariff Transmission Line	15/05/2013	Valid	PTCC, Government of India
	PTCC Route approval for 400 KV D/C Quad Bongaigaon - Siliguri	29-11-2011	Valid	Central Electricity Authority
	PTCC Route approval for 400 KV D/C Quad Purnea - Biharsharif Trans. Line	29-11-2011	Valid	Central Electricity Authority
	Approval for Power Line Crossing of 400 KV D/C (QUAD) Bongaigoan - New Siliguri	05-12-2012	Valid	Power Grid of India Limited
	PTCC Route approval for 400kv D/C Quad Purnea - Biharsharif Trans. Line	13-05-2013	Valid	Central Electricity Authority
10	**Telecom Clearance**			
	Marking of Telecom Alignment for proposal of PTCC clearance proposed 400 KV D/C (Quad) Purnea - Biharsariff Transmission Line ENCIL.	25-08-2012	Valid	Bharat Sanchar Nigam Limited
	Marking of telecom alignment for proposal of PTCC clearance of proposed 400 KV DC (QUAD) Purnea to Bihar Sharif Transmission Line.	07-06-2012	Valid	Bharat Sanchar Nigam Limited
	Marking of Telecom Alignment for proposal of PTCC clearance proposed 400 KV D/C (Quad) Purnea - Biharsariff Transmission Line ENCIL.	05-11-2011	Valid	Bharat Sanchar Nigam Limited
11	**Energisation Clearances***			
	400 KV D/C Bongaigaon-Siliguri Transmission Line	11-05-2014	Valid	Central Electricity Authority
	400 KV D/C Quad purnea- Biharsharif Transmission Line	22/08/2013	Valid	Central Electricity Authority

Source: Investment Manager

Appendix 7.9: ENCIL: Approvals & Licences Summary (5/5)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
12	**Approval under Electricity Act, 2003**			
	Approval from GOI under section 164 of Electricity Act, 2003	10-05-2011	25	Central Electricity Authority
	Approval u/s 68 of the Electricity Act, 2003 for laying overhead transmission line.	25/03/2009	Valid	Ministry of Power
	Approval u/s 61,63 & 79 of Electricity Act, 2003	13/09/2017	Valid	Central Electricity Regulatory Commission
	Approval u/s17 (3) and (4) of Electricity Act,2003	14-03-2016	Valid	Central Electricity Regulatory Commission
13	**Defence Clearance**			
	NOC for 400 KV D/C (Quad) TXN Line from purnea to Bihar Shariff by M/s. ENICL.	13/06/2013	Valid	Ministry of Defence
14	**Approval for adoption of Tariff**			
	Approval for adoption of Tariff	28/10/2010	25	Central Electricity Regulatory Commission
15	**Trial Run Certificate**			
	400 KV Binaguri-Bongoigaon	12-12-2014	Valid	Power System Operation Corporation Limite
	400 KV Purnea-Biharsarif	10-01-2013	Valid	Power System Operation Corporation Limite

Source: Investment Manager

Appendix 7.10: GPTL: Approvals & Licences Summary (1/5)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	**Tree cutting and Forest Clearance**			
	Aligarh-Prithala Transmission Line in District of Palwal - Stage I	25-Jun-19	Valid	Forest Department, Government of Haryana
	Aligarh-Prithala Transmission Line in District of Palwal - Stage II	05-Aug-19	Valid	Forest Department, Government of Haryana
	Aligarh-Prithala Transmission Line in District of Palwal - Stage I	02-Nov-17	Valid	Ministry of Environment, Forests & Climate Changes, Haryana
	Aligarh-Prithala Transmission Line in District of Palwal - Stage II	28-May-18	Valid	Ministry of Environment, Forests & Climate Changes, Haryana
	765KV Double Circuit Dharamjayagarh to Jabalpur Transmission Line-09/DND/POW/2012-114	11-Apr-18	Valid	Forest Department, Government of Haryana
	Aligarh-Prithala Transmission Line (Uttar Pradesh) - Stage I	19-Mar-18	Valid	Ministry of Environment, Forests & Climate Changes, UP
	Aligarh-Prithala Transmission Line (Uttar Pradesh) - Stage II	30-Aug-18	Valid	Ministry of Environment, Forests & Climate Changes, UP
	Kadarpur-Sohna Transmission Line in District of Gurugram - Stage I	13-Aug-18	Valid	Ministry of Environment, Forests & Climate Changes, Haryana
	Kadarpur-Sohna Transmission Line in District of Gurugram - Stage II	11-Oct-18	Valid	Ministry of Environment, Forests & Climate Changes, Haryana
	Kadarpur-Sohna Transmission Line in District of Gurugram - Tree Cutting Permission	28-Sep-18	Valid	Forest Department, Government of Haryana
	Neemrana-Dhanonda Transmission Line in Districts of Rewari and Mahendergarh - Stage I	16-May-17	Valid	Ministry of Environment, Forests & Climate Changes, Haryana
	Neemrana-Dhanonda Transmission Line in Districts of Rewari and Mahendergarh - Stage II	12-Sep-17	Valid	Ministry of Environment, Forests & Climate Changes, Haryana
	Neemrana-Dhanonda Transmission Line in Districts of Rewari and Mahendergarh - Tree Cutting Permission	27-Oct-17	Valid	Forest Department, Government of Haryana
	Neemrana-Dhanonda Transmission Line in Districts of Alwar - Stage I	26-Sep-17	Valid	Ministry of Environment, Forests & Climate Changes, Rajasthan
	Neemrana-Dhanonda Transmission Line in Districts of Alwar - Stage II	27-Jun-18	Valid	Ministry of Environment, Forests & Climate Changes, Rajasthan
	Neemrana-Dhanonda Transmission Line in Districts of Alwar - Tree Cutting Permission	17-Apr-18	valid	HoFF, Rajasthan
	Prithala-Kadarpur Transmission Line in Districts of Gurugram and Palwal - Stage I	13-Aug-18	Valid	Ministry of Environment, Forests & Climate Changes, Haryana
	Prithala-Kadarpur Transmission Line in Districts of Gurugram and Palwal - Stage II	03-Oct-18	Valid	Ministry of Environment, Forests & Climate Changes, Haryana
	Prithala-Kadarpur Transmission Line in Districts of Gurugram and Palwal - Tree Cutting Permission	19-Sep-18	Valid	Forest Department, Government of Haryana
2	**Transfer of Forest Land - Compliance of The SC and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006**			
	Aligarh-Prithala Transmission Line in District of Palwal			
	- UP	22-Feb-19	Valid	Office of District Collector, Aligarh
	Neemrana-Dhanonda Transmission Line in District of Rewari	22-Nov-16	Valid	Office of District Collector, Rewari
	Neemrana-Dhanonda Transmission Line in District of Alwar	19-Apr-17	Valid	Office of District Collector, Alwar

Source: Investment Manager

Appendix 7.10: GPTL: Approvals & Licences Summary (2/5)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
3	**Power & Telecommunication Coordination Committee ("PTCC") Clearance**			
	Aligarh- Prathala TL	26-Sep-18	Valid	PTCC, Government of India
	Kadarpur - Sohna TL	12-Dec-18	Valid	PTCC, Government of India
	Gurgaon - Manesar TL (LILO)	29-Jan-19	Valid	PTCC, Government of India
	Neemrana - Dhanonda TL	20-Dec-17	Valid	PTCC, Government of India
	Prithala to Kadarpur TL	28-Dec-18	Valid	PTCC, Government of India
4	**Railway Crossing**			
	400 KV D/C transmission line between railway station Asouti to Palwal on DLI-PWL section at T.P. No. 148/11 & 13	09-Aug-18	Valid	Northern Railway
	400 KV D/C OH power line track crossing at KM 119/0-2 between Kannina Khas - Gurha Khemla stations on Rewari - Sadulpur section of Bikaner division	29-Aug-17	Valid	North western railway
	Permission for starting work of 400 kv overhead power line track crossing at KM 25/0-1 between KTWS-KUND railway station in RPC section	13-Dec-17	Valid	North western railway
	NOC for crossing the DFC Railway Track/land by 400 kv DC Prithla to Kadarpur overhead Electric Transmission line of GPTL, in district Palwal, at DFC chainage 86642	19-Sep-18	Valid	Ministry of railway
	PTCC route approval : Neemrana - Dhanoda TL	01-Dec-17	Valid	North western railway
5	**Road Crossing**			
	NOC for crossing of new 400 KV D/C Twin HTLS Aligarh to Prithala Transmission line awarded to GPTL with EPE Alignment at village Sujwadi.	18-May-18	Valid	National Highway Authority of India
	Contruction of 400kv D/C Twin HTLS Aligarh -Prithala TL : Regarding issuance of NOC	24-Sep-18	Valid	Yamuna Expressway Industrial Development Authority
	Contruction of 400kv D/C Twin HTLS Kadarpur- Sohna road TL : Submission of crossing proposals	30-Jan-19	Valid	National Highway Authority of India
	Permission for crossing of 400kv D/C twin HTLS TL at km 13.230 on NH 248A, Kadarpur- Sohna road TL	10-Jan-19	Valid	Ministry of Road Transport & Highways
	Contruction of 400kv D/C Twin HTLS Neemrana - Dhanuda TL : Submission of crossing proposals	15-May-17	Valid	Public works department Haryana (Building and Roads) division Rewari
	Contruction of 400kv D/C Twin HTLS Neemrana - Dhanuda TL : Submission of crossing proposals	31-Jan-17	Valid	Haryana Public Works Department (Building & Roads) Branch
	Permission for crossing of 400kv D/C twin HTLS TL at km 53.100 on NH-2 Prithala to Kadadrpur TL	10-Jan-19	Valid	Ministry of Road Transport & Highways

Source: Investment Manager

Appendix 7.10: GPTL: Approvals & Licences Summary (3/5)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
6	**Power Line Crossing**			
	Twin HLTS Aligarh- Prathala TL between Tower No.- 918-919 of existing 400 KV, D/C, Kanpur- Ballabgarh TL of Powergrid	17-Aug-17	Valid	Powergrid Corporation of India Limited
	Twin HLTS Aligarh- Prathala TL between Tower No.- 952-953 of existing 400 KV, D/C, Kanpur- Ballabgarh TL of Powergrid	22-Oct-18	Valid	Powergrid Corporation of India Limited
	Twin HLTS Aligarh- Prathala TL between Tower No.- 579-580 of existing 400 KV, D/C, Mainpuri - Ballabgarh TL of Powergrid	17-Aug-17	Valid	Powergrid Corporation of India Limited
	Kadrour - Sohna Road tl over 400 kv D/C LILO line (400 kv S/C Bhiwadi - Gurgaon & 400kv S/C Ballabgarh - Gurgaon line)	21-Sep-18	Valid	Powergrid Corporation of India Limited
	Approval for crossing 400kv D/C Neemrana -Dhanuda kine under 400kv S/C Bhiwadi- Kotputli & Bhiwadi- Hisar line-1 in LILO portion.	05-Jun-17	Valid	Powergrid Corporation of India Limited
	Approval for crossing 400kv D/C Neemrana -Dhanuda kine under 400kv D/C Neemrana- Sikar TL.	19-Jun-17	Valid	Powergrid Corporation of India Limited
	Twin HTLS Prithala to Kadarpur TL between Tower 448-449 of existing 400kv S/C, Agra- Ballabgarh TL of Powergrid	21-May-18	Valid	Powergrid Corporation of India Limited
7	**Overhead Crossing of Rajasthan Rajya Vidyut Prasaran Nigam Limited**			
	NOC regarding crossing of 400kv D/C Twinn HTLS Nemmrana- Dhanuda TL to Mandhan- Jakhrana line	05-Jun-17	Valid	Rjasthan Rajya Vidyut Prasaran Nigam Limited
	NOC regarding crossing of 132kv D/C Nemmrana- Shahjhanpur TL by proposed dead end-1 Tower to AP-1 400kv D/C Nemmrana (PGCIL) - Dhanuda (HVPNL) TL between tpwer 22-23	18-Jul-18	Valid	Rjasthan Rajya Vidyut Prasaran Nigam Limited
	NOC regarding crossing of 220kv S/C MIA - Badarpur line proposed 400kv D/C Twin HTLS Prithala to Kadarpur line between tower 125-126.	07-Mar-18	Valid	Rjasthan Rajya Vidyut Prasaran Nigam Limited
8	**Overhead Crossing Haryana Vidyut Prasaran Nigam Limited ("HVPNL") Power lines**			
	Neemrana- Dhanonda line AP44-AP45, AP46-AP47, AP47-AP48, AP48-AP49	19-Sep-17	Valid	Haryana Vidyut Prasaran Nigam Limited
	Neemrana- Dhanonda line - AP-42 & AP-43	13-Oct-17	Valid	Haryana Vidyut Prasaran Nigam Limited
	220lv D/C Samaypur -Meghpur line by proposed 400kv D/C twin HTLS Prithla - Kadarpur - Sohna Line of M/s Gurgaon Palwal TL	20-Sep-18	Valid	Haryana Vidyut Prasaran Nigam Limited
9	Load sanction of 315 KW and CD 350 applied vide A&A online no.F-42-419-365 d	11-Jun-19	NA	Dakshin Haryana Bijli Vitran Nigam

Source: Investment Manager

Appendix 7.10: GPTL: Approvals & Licences Summary (4/5)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
10	Transmission License	23-Nov-16	25	Central Electricity Authority, Ministry of Power
11	Application u/s 63 of Electricity Act, 2003 for adoption of transmission charges with respect to the transmission system established by GPTL.	06-Sep-16	Valid	Central Electricity Regulatory Commission
12	Approval under section 68 of Electricity Act, 2003	26-Nov-15	25	Central Electricity Authority, Ministry of Power
13	Approval u/s 164 of Electricty Act, 2003 for new 400 KV TL by GPTL	28-Mar-17	25	Central Electricity Authority, Ministry of Power
14	**Approval for Energisation under regulation 43 of CEA Regulations, 2010***			
	Dhanoda Substation of HVPNL	02-May-18	Valid	Central Electricity Authority, Regional Inspectorial Orgnanization (North)
	Neemrana - Dhanonda transmission line	26-Dec-18	Valid	Central Electricity Authority, Regional Inspectorial Orgnanization (North)
	GIS Substation at Prithala	31-Jul-19	Valid	Central Electricity Authority, Chief Electrical Inspectorate Division
	Aligarh - Prithala Transmission line	29-Jul-19	Valid	Central Electricity Authority, Chief Electrical Inspectorate Division
	GIS Substation at Kadarpur	27-Nov-19	Valid	Central Electricity Authority, Chief Electrical Inspectorate Division
	Prithala - Kadarpur Transmission line	27-Nov-19	Valid	Central Electricity Authority, Chief Electrical Inspectorate Division
	Kadarpur - Sohana Transmission line	09-Mar-20	Valid	Central Electricity Authority, Chief Electrical Inspectorate Division
	GIS Substation at Sohana Road	09-Mar-20	Valid	Central Electricity Authority, Chief Electrical Inspectorate Division
	Provisional approval for Gurgaon - Manesar Transmission line till 30 April 2020	04-Apr-20	Valid	Central Electricity Authority, Chief Electrical Inspectorate Division
15	**Certificate of Completion of Trial Run Operation**			
	- Completion of trial run of 400KV, 125 MVAR Bus Reactor at Prithala	16-Dec-19	Valid	Power System Corporation Ltd.
	- First time charging of 400 KV Aligarh-Prithala lines	16-Dec-19	Valid	Power System Corporation Ltd.
	- Completion of trial run of 400KV, 125 MVAR Bus Reactor at Kadarpur	01-Jan-20	Valid	Power System Corporation Ltd.
	- First time charging of 400 KV Prithala-Kadarpur lines	24-Dec-19	Valid	Power System Corporation Ltd.
	- Completion of trial run of Neemrana - Dhanoda TL	24-Apr-19	Valid	Power System Corporation Ltd.
	- Completion of trial run of LILO Line	30-Mar-20	Valid	Power System Corporation Ltd.

Source: Investment Manager

Appendix 7.10: GPTL: Approvals & Licences Summary (5/5)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
16	**Aviation Clearance**			
	NOC for Height Clearance - AP Line (6 different NOCs)	04-Sep-18	8	Airports Authority of India
	NOC for Height Clearance - KS Line (2 different NOCs)	04-Sep-18	8	Airports Authority of India
	NOC for Height Clearance - LILO Line	04-Sep-18	8	Airports Authority of India
	NOC for Height Clearance - ND Line	16-Aug-17	7	Airports Authority of India
	NOC for Height Clearance - PK Line (4 different NOCs)	28-Aug-18	8	Airports Authority of India
17	**Defence Clearance**			
	NOC for Installation/ Construction - AP Line	20-Dec-17	7	Ministry of Defence - Air Force Station Hindan
	NOC for Installation/ Construction - KS Line	10-Jul-18	7	Ministry of Defence - Air Force Station Hindan
	NOC for Installation/ Construction - Sohana LILO Line	10-Jul-18	7	Ministry of Defence -Air Force Station Hindan
	NOC for Installation/ Construction - ND Line	07-Dec-17	7	Ministry of Defence - Air Force Station Hindan
	NOC for Installation/ Construction - PK Line	29-Aug-18	7	Ministry of Defence - Air Force Station Hindan

Source: Investment Manager

Appendix 7.11: NERTL: Approvals & Licences Summary (1/7)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Transmission License	27-Jul-17	25	Central Electricity Regulatory Commission
2	**Transmission Service Agreement**			
	Transmission Service Agreement between NERTL & Long Term Transmission Customers	27-Dec-16	Valid	
	Transmission Service Agreement between NERTL & Central Transmission Utility	15-Nov-17	Valid	
3	Connectivity permission	22-Oct-20	Valid	Power Grid Corporation of India Limited
4	Registration of NERTL as user under NERLDC	17-Mar-20	Valid	Power System Operation Corporation Limited
5	Share Purchase Agreement between RECTPCL, NERTL and SGL 4	31-Mar-17	Valid	
6	**Approval for Adoption of Tariff**			
	Tariff Adoption Order	12-Jun-17	Valid	Central Electricity Regulatory Commission
7	**Approvals under Electricity Act, 2003**			
	Approval under section 68(1) of Electricity Act, 2003	7-Feb-17	Valid	Ministry of Power, Government of India
	Approval from GOI under section 164 of Electricity Act, 2003 - Under Gazette of India	31-Aug-18	25	Ministry of Power, Government of India
8	**Energisation Clearance**			
	Approval for Energisation of 400/132 kV P.K Bari substation under regulation 43 of CEA	16-Mar-23	Valid upto 15-Mar-25	Central Electricity Authority, Ministry of Power, GOI
	Approval for Energisation of 2 nos. of 132 kV line bays at AGTPP Switchyard under regulation 43 of CEA	16-Mar-23	Valid upto 15-Mar-25	Central Electricity Authority, Ministry of Power, GOI
	Approval for Energisation of 400/132 kV Surajmaninagar substation under regulation 43 of CEA	16-Mar-23	Valid upto 15-Mar-25	Central Electricity Authority, Ministry of Power, GOI
	Approval for Energisation of 2 nos. of 132 kV line bays at P.K Bari substation under regulation 43 of CEA	16-Mar-23	Valid upto 15-Mar-25	Central Electricity Authority, Ministry of Power, GOI
9	**Defence Clearance**			
	NOC from aviation angle for construction of 132 kV D/C Bishwanath Chariali Itanagar Transmission line and Lilo of Bishwanath Chariali to Gohpur by NERTL	29-Apr-19	Valid	Air HQ, Ministry of Defence
	NOC from aviation angle for construction of 132 kV D/C AGTPP (NEEPCO) to P.K Bari and 400 kV D/C Surajmaninagar to P.K Bari Transmission line on multi circuit towers under NERTL	22-May-19	Valid	Air HQ, Ministry of Defence
	NOC from aviation angle for construction of 400 kV D/C (Quad) Silchar Misa Transmission line by NERTL	19-Feb-19	Valid	Air HQ, Ministry of Defence

Source: Investment Manager

Appendix 7.11: NERTL: Approvals & Licences Summary (2/7)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
10	**Aviation Clearance**			
	NOC for Height Clearance HOLO/NORTH_EAST/P/020419/369344 HOLO/NORTH_EAST/P/020419/369345 HOLO/NORTH_EAST/P/020419/369348 HOLO/NORTH_EAST/P/020419/369349 HOLO/NORTH_EAST/P/020419/369350 HOLO/NORTH_EAST/P/020419/369351 HOLO/NORTH_EAST/P/020419/369354 HOLO/NORTH_EAST/P/020419/369355 KOLA/NORTH_EAST/P/020419/369338 KOLA/NORTH_EAST/P/020419/369339 KOLA/NORTH_EAST/P/020419/369341 KOLA/NORTH_EAST/P/020419/369342 KOLA/NORTH_EAST/P/020419/369343 HOLO/NORTH_EAST/P/020419/369359 HOLO/NORTH_EAST/P/020419/369360	12-Mar-19	8	Airports Authority Of India
	NOC for Height Clearance HOLO/NORTH_EAST/P/020419/369358	14-Mar-19	8	Airports Authority Of India
	NOC for Height Clearance HOLO/NORTH_EAST/P/052619/400654	6-Jun-19	8	Airports Authority Of India
	NOC for Height Clearance AGAR/NORTH_EAST/P/092719/431566 AGAR/NORTH_EAST/P/092719/431567 AGAR/NORTH_EAST/P/092719/431568 AGAR/NORTH_EAST/P/092719/431569 AGAR/NORTH_EAST/P/092719/431570	14-Oct-19	8	Airports Authority Of India
	NOC for Height Clearance KAMA/NORTH_EAST/P/112119/434560 KAMA/NORTH_EAST/P/112119/434561 KAMA/NORTH_EAST/P/112119/434562	23-Dec-19	8	Airports Authority Of India
	NOC for Height Clearance KAMA/NORTH_EAST/P/112119/434563 KAMA/NORTH_EAST/P/112119/434564	19-Dec-19	8	Airports Authority Of India
	NOC for Height Clearance KHOW/NORTH_EAST/P/112119/434554 KHOW/NORTH_EAST/P/112119/434555	20-Apr-20	8	Airports Authority Of India
	NOC for Height Clearance KHOW/NORTH_EAST/P/112119/434556 KHOW/NORTH_EAST/P/112119/434558 KHOW/NORTH_EAST/P/112119/434559	18-Dec-19	8	Airports Authority Of India

Source: Investment Manager

Appendix 7.11: NERTL: Approvals & Licences Summary (3/7)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
11	**Power & Telecommunication Coordination Committee ("PTCC") Clearance**			
	Approval to the route of 132 kV Biswanath Chariali - Itanagar D/C transmission li	11-Nov-19	Valid	Power & Telecom Co-ordination Committee, GOI
	Approval to the route of 132 kV Lilo to Gohpur substation from Biswanath Charial	11-Nov-19	Valid	Power & Telecom Co-ordination Committee, GOI
	Approval to the route of 132 kV D/C transmission line of AGTPP (NEEPCO) - P.K E	20-Sep-18	Valid	Power & Telecom Co-ordination Committee, GOI
	Approval to the route of 132 kV D/C Surajmaninagar - P.K Bari transmission line	13-Feb-19	Valid	Power & Telecom Co-ordination Committee, GOI
	Approval to the route of 400 KV D/C (Quad) Silchar Misa transmission line	24-Jun-19	Valid	Power & Telecom Co-ordination Committee, GOI
12	**Power Line Crossing**			
	Approval for power line crossing of 132 kV B.Chariali-Itanagar transmission line at existing 132 kV Sonabil-Gohpur D/C transmission line	28-Sep-18	Valid	Assam Electricity Grid Corporation Limited
	Approval for power line under crossing of existing 400 kV D/C Ranganadi-Biswanath Chariali transmission line in between AP 182 & 183 and AP 255 & 256	31-Dec-18	Valid	Power Grid Corporation of India Limited
	Approval for power line crossing for construction of 132 kV D/C NEEPCO-P.K Bari transmission line	12-Sep-18	Valid	Power Grid Corporation of India Limited
	Approval for power line crossing of up-coming 132 kV D/C NEEPCO-P.K Bari line of NERTL above existing 132 kV S/C Kumarghat-RC Nagar line of Powergrid	14-Sep-19	Valid	Power Grid Corporation of India Limited
	Approval for power line crossing for construction of 132 kV D/C NEEPCO-P.K Bari transmission line	14-May-18	Valid	Tripura State Electricity Corporation Limited
	Approval for crossing of 400 kV D/C Surajmaninagar - P.K Bari transmission line	05-Jun-18	Valid	Tripura State Electricity Corporation Limited
	Approval of power line crossing for construction of 400 kV D/C Surajmaninagar - P.K Bari transmission line	25-Jun-18	Valid	Power Grid Corporation of India Limited
	Approval of power line crossing for construction of 132/400 kV M/C NEEPCO(AGTPP) & Surajmaninagar - P.K Bari transmission line	23-Aug-18	Valid	Tripura State Electricity Corporation Limited
	Approval of power line crossing of 132 kV S/C Ambassa-Kamalpur transmission line for construction of 132/400 kV M/C NEEPCO(AGTPP) & Surajmaninagar - P.K Bari transmission line	31-May-18	Valid	Tripura State Electricity Corporation Limited
	Confirmation regarding overhead power line crossing over existing 132 kV S/C Badarpur-Jiribam tranmission line	03-Jan-19	Valid	Power Grid Corporation of India Limited
	Approval for power line crossing over existing 132 kV S/C Badarpur-Jiribam transmission line by proposed 400 kV D/C Silchar-Misa transmission line	27-Dec-19	Valid	Power Grid Corporation of India Limited
	Approval for power line crossing of 400 kV D/C (Quad) Silchar-Misa transmission line with 400 kV D/C Palatana-Silchar and 400 kV D/C Silchar-Bongaigaon	22-Feb-19	Valid	North East Transmission Company Limited (NETC)

Source: Investment Manager

Appendix 7.11: NERTL: Approvals & Licences Summary (4/7)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
12	**Power Line Crossing (contd.)**			
	Approval of placement of dead end tower of proposed Silchar-Misa line at Silchar substation end and power line crossing of 400 kV D/C Silchar-Misa transmission line	11-Oct-19	Valid	Power Grid Corporation of India Limited
	Confirmation of High tension power line crossing over the existing 132 kV Haflong-Jiribam transmission line by 400 kV D/C Silchar-Misa transmission line	03-Mar-18	Valid	Power Grid Corporation of India Limited
	Approval of under power line crossing of 132 kV D/C Silchar-Hailakandi line by proposed 400 kV D/C Silchar-Misa transmission line	30-Sep-19	Valid	Power Grid Corporation of India Limited
	Approval for line crossing of 132 kV D/C Samaguri-Lanka line by 400 kV D/C Silchar-Misa transmission line	27-Sep-18	Valid	Assam Electricity Grid Corporation Limited
	Approval for overhead power line crossing of 400 kV D/C Silchar-Misa transmission line with Powergrid lines	30-Sep-19	Valid	Power Grid Corporation of India Limited
	Approval for overhead power line crossing of 400 kV D/C Silchar-Misa transmission line and Termination Arrangement at Misa substation	05-Sep-19	Valid	Power Grid Corporation of India Limited
	Approval for line crossing of 400 kV D/C Silchar-Mehleriat line of Powergrid by proposed 400 kV D/C Silchar-Misa transmission	15-Nov-19	Valid	Power Grid Corporation of India Limited
	Approval for power line crossing of 400 KV D/C Silchar-Misa line with 132 kV S/C Panchgram-Srikona Line	06-Oct-18	Valid	Assam Electricity Grid Corporation Limited
	Confirmation for construction of DD type tower of 400 kV D/C Silchar-Misa line over 132 kV S/C Jiribam-Haflong line	13-Jul-18	Valid	Power Grid Corporation of India Limited
	Approval for overhead power line crossing of 400 kV D/C Silchar-Misa transmission line with Kopili-Misa Powergrid lines	19-Dec-18	Valid	Power Grid Corporation of India Limited
	Approval of under power line crossing of 400 kV D/C Silchar-P.K Bari line by proposed 400 kV D/C Silchar-Misa transmission line	03-Oct-19	Valid	Power Grid Corporation of India Limited
	Confirmation for construction of DD type tower of 400 kV D/C Silchar-Misa line over 132 kV S/C Khandong-Haflong line	10-Jul-18	Valid	Power Grid Corporation of India Limited
	Permission for crossing 400 kV D/C Silchar-Misa transmission line	20-Aug-18	Valid	Office of Executive Engineer, P.W.D NH Division, Silchar, Government of Assam

Source: Investment Manager

Appendix 7.11: NERTL: Approvals & Licences Summary (5/7)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
13	**Road Crossing**			
	Approval for NH-15 crossing of 132 kV D/C transmission line from Biswanath Chariali to Itanagar	14-Nov-18	Valid	National Highways & Infrastructure Development Corporation Ltd.
	Permission for crossing of 132 kV D/C transmission line	04-Aug-18	Valid	Naharlagun Highway Division, Government of Arunachal Pradesh
	NOC of NH-08 (44) road crossing by 400 kV D/C Surajmaninagar-P.K Bari transmi:	28-Aug-18	Valid	Agartala National Highway Division, Government of Tripura
	NH-37, near village Hathirhat, District Cachar	20-Aug-18	Valid	Silchar National Highway Division, Government of Assam
	NH-54, Silchar to Balachera section, State of Assam	20-Mar-18	Valid	National Highway Authority of India
	NH-54, Jatinga to Harangajao section, State of Assam	17-Jul-18	Valid	National Highway Authority of India
	NOC of NH-27 for construction of 400 kV D/C Silchar-Misa transmission line	30-Oct-18	Valid	National Highway Authority of India
	NH-54, near village Bororampur, District Cachar	20-Mar-18	Valid	National Highway Authority of India
14	**Substations Approval**			
	Approval of Building Plan of 400/132 kV substation at Purbanagon, West Tripura	14-Aug-20	Valid	Agartala Municipal Corporation
	NOC for construction of Bore Well for 400 kV P.K Bari substation at Masauli	29-Nov-19	Valid	Office of Executive Engineer, Government of Tripura
	NOC for construction of Bore Well for 400 kV substation at East Naogaon (named new Surajmaninagar)	06-May-20	Valid	Office of Sub-Divisional Officer, Government of Tripura
15	**Railway Crossing**			
	Permission for OH Electrical track crossing of 132 kV D/C between Bishwanath Charali - Monabari Railway Stations	22-Aug-19	10	Northeast Frontier Railway, Rangiya Divisional off
	Agreement for erecting and maintaining an overhead power line crossing over and across railway lines entered into between NERTL and Divisional Railway Manager (Engineering) in respect of the Bishwanath Chariali to Itanagar and associated Gohpur LILO Line.	21-Aug-19	Valid	Northeast Frontier Railway, Rangiya Divisional off
	Agreement for erecting and maintaining an overhead power line crossing over and across railway lines entered into between NERTL and Divisional Railway Manager (Engineering) in respect of the Bishwanath Chariali to Itanagar and associated Gohpur LILO Line.	16-Aug-19	Valid	Northeast Frontier Railway, Rangiya Divisional off
	Permission for overhead railway track crossing between Jogendranagar - Jirania	3-Dec-18	10	Northeast Frontier Railway, Lumding Divisional off
	Agreement for above 220kV and upto 440kV transmission line overhead railway track crossing between Jogendranagar and Jirania	3-Dec-18	Valid	Northeast Frontier Railway, Lumding Divisional off

Source: Investment Manager

Appendix 7.11: NERTL: Approvals & Licences Summary (6/7)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
15	**Railway Crossing (contd.)**			
	Permission for execution of 400 kV overhead power line crossing between Jogendranagar - Jirania	3-Apr-19	Valid	Northeast Frontier Railway, Lumding Divisional off
	Agreement for erecting and maintaining an overhead power line crossing over and across railway tracks in respect of Surajmaninagar-P.K Bari transmission line	3-Apr-19	Valid	Northeast Frontier Railway, Lumding Divisional off
	Permission for overhead railway track crossing between Salchapra - Arunachal	3-Apr-19	10	Northeast Frontier Railway, Lumding Divisional off
	Agreement for above 220kV and upto 440kV transmission line overhead railway track crossing between Salchapra and Arunachal	3-Apr-19	Valid	Northeast Frontier Railway, Lumding Divisional off
	Permission for overhead railway track crossing between Ditokchera - New Haranc	3-Apr-19	10	Northeast Frontier Railway, Lumding Divisional off
	Agreement for crossing above 220kV and upto 440kV transmission line overhead railway track crossing between Ditokchera and New Harangajao	3-Apr-19	Valid	Northeast Frontier Railway, Lumding Divisional off
	Permission for overhead railway track crossing between Abandoned Harangajao -	3-Apr-19	10	Northeast Frontier Railway, Lumding Divisional off
	Agreement for crossing above 220kV and upto 440kV transmission line overhead railway track crossing between Abandoned Harangajao and Ditokchera	3-Apr-19	Valid	Northeast Frontier Railway, Lumding Divisional off
	Permission for overhead railway track crossing between Jamunamukh - Jugijan	24-Jan-19	10	Northeast Frontier Railway, Lumding Divisional off
	Agreement for crossing above 220kV and upto 440kV transmission line overhead railway track crossing between Jamunamukh and Jugijan	23-Jan-19	Valid	Northeast Frontier Railway, Lumding Divisional off
16	**Diversion of Forest Land/ Permission for felling of trees**			
	Diversion of Forest land in favour of NERTL for construction of 132 kV D/C Neepco (AGTP) to P.K Bari (TSECL) transmission line - Stage I Clearance	12-Oct-18	Valid	Ministry of Environment & Forest, GOI
	Diversion of Forest land in favour of NERTL for construction of 132 kV D/C Neepco (AGTP) to P.K Bari (TSECL) transmission line - Stage II Clearance	19-Jun-19 12-Jul-19	Valid	Ministry of Environment & Forest, GOI
	Diversion of Forest land in favour of NERTL for construction of 132 kV D/C Biswanath Chariali to Itanagar transmission line with Lilo of one Circuit - Stage I Clearance	12-Oct-18	Valid	Ministry of Environment & Forest, GOI
	Diversion of Forest land in favour of NERTL for construction of 132 kV D/C Biswanath Chariali to Itanagar transmission line - Stage I Clearance	23-Sep-19	Valid	Ministry of Environment & Forest, GOI
	Diversion of Forest land in favour of NERTL for construction of 132 kV D/C Biswanath Chariali to Itanagar transmission line - Stage II Clearance	28-May-20	Valid	Ministry of Environment & Forest, GOI
	Diversion of Forest land in favour of NERTL for construction of 400 kV D/C Multi Circuit Surajmani Nagar to P.K Bari transmission line - Stage I Clearance	21-Jan-19	Valid	Ministry of Environment & Forest, GOI
	Diversion of Forest land in favour of NERTL for construction of 400 kV D/C Multi Circuit Surajmani Nagar to P.K Bari transmission line - Stage II Clearance	20-May-19 9-Jul-19	Valid	Ministry of Environment & Forest, GOI
	Diversion of Forest land in favour of NERTL for construction of 400 kV D/C Silchar to Misa transmission line - Stage I Clearance	29-Aug-18	Valid	Ministry of Environment & Forest, GOI
	Diversion of Forest land in favour of NERTL for construction of 400 kV D/C Silchar to Misa transmission line a part near Misa substation - Stage I Clearance	6-Jun-19	Valid	Ministry of Environment & Forest, GOI

Source: Investment Manager

Appendix 7.11: NERTL: Approvals & Licences Summary (7/7)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
16	**Diversion of Forest Land/ Permission for felling of trees (contd.)**			
	Working permission for felling of trees in favour of NERTL for construction of 132 kV D/C Biswanath Chariali to Itanagar transmission line	7-Feb-19	Valid	Environment and Forest Department, Government of Assam
	Working permission for felling of trees in favour of NERTL for construction of 132 kV D/C AGTPP (NEEPCO) to P.K Bari (TSECL) transmission line	5-Jan-19	Valid	Office of Principal Chief Conservator of Forests Tripura, Government of Tripura
	Working permission for felling of trees in favour of NERTL for construction of 400 kV D/C Multi Circuit Surajmani Nagar to P.K Bari transmission line	2-May-19	Valid	Office of Principal Chief Conservator of Forests Tripura, Government of Tripura
	Working permission for felling of trees in favour of NERTL for construction of 400 kV D/C Silchar to Misa transmission line	4-Dec-19	Valid	Office of Principal Chief Conservator of Forests and Head of Forest Force, Government of Assam
	Working permission for felling of trees in favour of NERTL for construction of 400 kV D/C Silchar to Misa transmission line	6-Oct-18	Valid	Environment and Forest Department, Government of Assam
	Working permission for felling of trees in favour of NERTL for construction of 132 kV D/C Biswanath Chariali to Itanagar transmission line	6-Nov-19	Valid	Department of Environment & Forests Itanagar, Government of Anurachal Pradesh
17	**Forest Rights Certificate**			
	Certificate issued in respect of Surajmaninagar to P.K Bari transmission line	27-Jun-18	Valid	Office of District Magistrate and Collector, West Tripura, Government of Tripura
	Certificate issued in respect of Surajmaninagar to P.K Bari transmission line	26-Jun-18	Valid	District Magistrate and Collector, Dhalai District, Jawaharnagar, Government of Tripura
	Certificate issued in respect of Surajmaninagar to P.K Bari transmission line	20-Aug-18	Valid	District Magistrate and Collector, Khowai District, Tripura, Government of Tripura
	Certificate issued in respect of Biswanath Chariali to Itanagar transmission line	13-Dec-17	Valid	Office of Deputy Commissioner, Biswanath, Government of Assam
	Certificate issued in respect of Biswanath Chariali to Itanagar transmission line	6-Aug-19	Valid	Office of the District Land Revenue and Settlement Officer, Yupia District, Government of Arunachal Pradesh
	Certificate issued in respect of NEEPCO (AGTPP) to P.K Bari transmission line	26-Jun-18	Valid	Office of District Magistrate and Collector, West Tripura, Government of Tripura
	Certificate issued in respect of Silchar to Misa transmission line	22-Nov-18	Valid	Office of Deputy Commissioner, Hojai, Sankardev Nagar, Government of Assam
	Certificate issued in respect of Silchar to Misa transmission line	23-Nov-17	Valid	Office of Deputy Commissioner, West Karbi Anglong Harmen, Government of Assam
	Certificate issued in respect of Silchar to Misa transmission line	21-Sep-17	Valid	Principal Secretary, North Cachar Hills Autonomous Council, Dima Hasao District, Haflong
	Certificate issued in respect of Silchar to Misa transmission line	17-Nov-17	Valid	Office of Deputy Commissioner, Hojai, Sankardev Nagar, Government of Assam
18	Commercial operation date related approvals for : (i) Biswanath Chariyalli (Powergrid) – Itanagar Line ; (ii) LILO of one circuit of Biswanath Chariyali (Powergrid)- Itanagar line at Gohpur (AEGCL); and (iii) Line bays at Itanagar for terminating the Biswanath Chariyalli (Powergrid) – Itanagar line of the NERTL Project.	10-May-21	Valid	Power System Operation Corporation Limited

Source: Investment Manager

Appendix 7.12: RSTCPL: Approvals & Licences Summary (1/1)

Sr. No.	Approvals	Date of issue	Validity (in years)	Issuing Authority
1	Transmission license	24-Aug-11	25	Central Electricity Regulatory Commission
2	**Transmission Service Agreement**			
	Transmission Service Agreement between RSTCPL and Long Term Transmission Customers	4-Aug-10	35	
	Transmission Service Agreement between RSTCPL and Central Transmission Utility	28-Aug-14		
3	**Energisation Clearance**			
	Approval for Energisation of 765 Kv line under regulation 43 of CEA	29-Jun-14	NA	Central Electricity Authority, Ministry of Power,GOI
4	Approval of Power Line Crossing	16-Aug-13		Executive Engineer, Major Works Division, KPTCL, Gulbarga
5	Registration of RSTCPL as user under WRLDC & SLRDC	24-Jul-14	Valid	Power System Operation Corporation Limited
6	**Approval for Adoption of Tariff**			
	Tariff Adoption Order	12-Aug-11	Valid	Central Electricity Regulatory Commission
7	**Approvals Under Electricity Act,2003**			
	Initial Electrical Inspection Report u/s 53 of the Electricity Act,2003	20-Dec-17	Valid	Central Electricity Authority, Ministry of Power,GOI
	Approval from GOI under section 164 of Electricity Act,2003 - Under Gazette of India	24-Nov-11	25	Ministry of Power, GOI
8	**Civil Aviation Clearance**			
	NOC from Aviation Authority of India to the proposed 765 Kv Raichur- Sholapur Transmission Line	27-Jun-14	Valid	Airports Authority of India
9	**Railway Crossing**			
	Inspection of 765 Kv cable crossing located between stations NGS & BOT	20-Jun-14	Valid	Senior Engineer, Central Railway,Solapur
10	**Bhima River Crossing**			
	Permission of 765 Kv Overhead Power line to cross through the Bhima River	25-Jul-13	Valid	RSTCL, CEA, New Delhi
11	**PTCC Clearance**			
	Approval to the 765 Kv Raichur- Sholapur Transmission Line	27-Aug-14	Valid	Power & Telecom Co-ordination Committee, GOI
12	**Road Crossing**			
	NOC for crossing National Highway No.218 from Jewargi Side	16-Mar-13	Valid	National Highway & Infrastructure Development Corporation Ltd.
	NOC for crossing National Highway No.218 from Gulbarga	1-Mar-13	Valid	National Highway & Infrastructure Development Corporation Ltd.

Source: Investment Manager

Appendix 7.13: KTL: Approvals & Licences Summary (1/4)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Company Registration	28-Nov-15	Valid	Ministry of Corporate Affairs
2	Transmission License	17-Nov-16	25	Central Electricity Regulatory Commission
3	Approval under section 68 of Electricity Act, 2003	2-Feb-16	Valid	Ministry of Power
4	Approval from GOI under section 164 of Electricity Act, 2003	3-Jul-17	25	Ministry of Power
5	Approval from CERC under section 17(3)	13-Jul-17	Valid	Central Electricity Regulatory Commission
6	**Forest Clearance**			
	Approval for 0.828 Hectare of forest land proposed to be diverted in favour of khargone transmission limited for Construction of 400 kV D/C Quad Khargone TPP-Khandwa pooling transmission line	11-Jan-17	Valid	Collector, Khargone, Madhya Pradesh
	Approval for 3.956 Hectare of forest land proposed to be diverted in favour of khargone transmission limited for Construction of 400 kV D/C Twin Khargone-Khargone TPP LILO Transmission Line	11-Jan-17	Valid	Collector, Khargone, Madhya Pradesh
	Approval for 11.866 Hectare of forest land proposed to be diverted in favour of khargone transmission limited, for construction of 765 kV D/C Hexa Khandwa-dhule Transmission line	11-Jan-17	Valid	Collector, Khargone, Madhya Pradesh
	Approval for 40.233 Hectare of forest land proposed to be diverted in favour of khargone transmission limited, for construction of 765 kV D/C Hexa Khandwa-dhule Transmission line	11-Jan-17	Valid	Collector, Khargone, Madhya Pradesh
	Approval for 72.449 Hectare of forest land proposed to be diverted in favour of khargone transmission limited, for laying 765 kV D/C hexa Khandwa - Indore Transmission line	3-Feb-17	Valid	Collector, Indore, Madhya Pradesh
	Approval for 25.571 Hectare of forest land proposed to be diverted in favour of khargone transmission limited for Construction of 765 kV D/C Hexa Khandwa- Dhule Transmission line.	24-Apr-17	Valid	Collector, Barwani, Madhya Pradesh
	Approval for Diversion of 3.956 ha Forest land for laying of 400 kV D/C twin LILO transmission line from Khargone to Khargone TPP in favour of project head, Khargone Transmission limited, Sanawad at Khrgone District of Madhya Pradesh	20-Jul-17	Valid	Ministry of Environment, Forest and Climate change
	Approval for Diversion of 0.828 ha Forest land for laying 400 kV D/C quad Khargone TPP- Khandwa Pooling Transmission Line at Forest Division-badwah in favour of project head, Khargone Transmission limited	2-Aug-17	Valid	Ministry of Environment, Forest and Climate change
	Approval for 119.689 Hectare of forest land proposed to be diverted in favour of sterlite power, khargone transmission limited, jaitapur, Khargone (Madhya Pradesh)	19-Aug-17	Valid	Collector, Dhule, Maharashtra
	Approval for diversion of 112.672 ha of forest land for laying of 765 kV D/C Khadwa / Indore Transmission line at Khargone and indore districts in favour of project head, khargone transmission Ltd.	30-Oct-17	valid	Ministry of Environment, Forest and Climate change

Source: Investment Manager

Appendix 7.13: KTL: Approvals & Licences Summary (2/4)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
6	Approval for diversion of 39.437 ha Reserved Forest land for construction of 765 kV D/C Hexa Khandwa-Dhule Transmission line in favour of Project Head, khargone Transmission Limited, Khargone& Barwani District of Madhya Pradesh.	7-Nov-17	Valid	Ministry of Environment, Forest and Climate change
	Approval for diversion of 119.689 ha of Reserved forest land in favour of Khargaon Transmission ltd, sanawad for laying of 765 kV DC Hexa Khandwa-Dhule Transmission line in dhule district in state of maharashtra	9-Feb-18	Valid	Ministry of Environment, Forest and Climate change
	Approval for 21.466 Hectare of forest land proposed to be diverted in favour of sterlite power, khargone transmission limited, jaitapur, Khargone (Madhya Pradesh)	27-Dec-19	Valid	Collector, Dhule, Maharashtra
	Approval for Additional diversion of 21.466 ha forest land for Khargone transmission Ltd required Due to Proposed Dam (Sulwade jamfal kanoli Lift irrigation Scheme) Falling in existing route alignment of 765 kV D/C Hexa Khandwa-Dhule Transmission line in dhule district, maharashtra	15-Mar-21	Valid	Ministry of Environment, Forest and Climate change
	Stage II Approval of central government under forest (Conservation) Act 1980 for proposed diversion of 3.956 ha forest land	27-Jun-21	Valid	Ministry of Environment, Forest and Climate change
7	Railway Crossing			
	Approval for crossing of 765kV D/C HEXA Khandwa - Dhule Overhead Transmission line in between station Hol - Nardana of Tapi Valley Branch Broad Gauge Electrified Double Track Line	22-May-17	Valid	Western Railway Mumbai
	Approval for crossing of 765kV D/C HEXA Khandwa - Indore Overhead Transmission line in between "station Barwah - Mukhtira Balwara of Khandwa-Ratlam-Ajmer Branch Meter Gauge Non-Electrified Single Track Line"	12-Jul-17	Valid	Western Railway Ratlam
	Approval for crossing of 765kV D/C HEXA Khandwa - Indore Overhead Transmission line in between "station Mangliya - Barlai of section Khandwa-Dewas-Ujjain Broad Meter Gauge Electrified Single Track Line"	12-Jul-17	Valid	Western Railway Ratlam
	Approval for crossing of 765 KV Hexa Khandwa-Dhule OH transmission line between STN Hol & Naradana of Tapi Valley.	12-Mar-18	Valid	Western Railway
8	Road Crossing			
	Approval of overhead crossing proposal of NH-59(A), Indore- harda, near Khudel Village (in between PWD km 9+917 for 765 kv D/C Hexa indore-betul transmission line under khargone transmission limited Madhya pradesh	9-Dec-17	Valid	National Highways Authority of India
	Approval for overhead power line crossing of NH-3, near village palasner at Km 175.638 for 765 kV D/C hexa Khandwa - Dhule transmission line - Release of Original bank Guarantee	16-Jan-19	Valid	National Highways Authority of India
	Approval for overhead crossing proposal of NH-3, Agra Bombay near khispra village (in between KM stone, 583 and 584 , CH 584+520 Mts from Agra) for 765 KV D/C hexa Khandwa indore transmission line under Khargone Transmission limited	28-Dec-19	Valid	National Highways Authority of India

Source: Investment Manager

Appendix 7.13: KTL: Approvals & Licences Summary (3/4)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
9	Power Line Crossing			
	Approval for Overhead Crossing of 400 kV D/C Twin Khargone TPP - Khargone line by 765 kV D/C Khandwa-Dhule Transmission line & Earthwire Delta Arrangement	30-Jun-17	Valid	KEC International Ltd
	Approval for Over head crossing of 765 kV D/C Hexa Khandwa - Dhule Transmission line to existing 132 kV Shirpur-Dondaicha SCDC Line at LOC.no. 123-124, Near Village sakwad Tal. Shirpur Dist. Dhule .	29-Jul-17	Valid	Maharashtra State Electricity Transimission Company Ltd
	Approval for Installation of 765 kV D/C & 400 kV D/C Transmission lines through Khargone Transmission Limited under western Region System Strengthening Scheme-Overhead crossing of PGCIL existing 400 kV D/C Khandwa-Indore & 400 kV D/C Khandwa-Indore & 400 kV D/C Khandwa-Rajgarh Transmission Lines	29-Aug-17	Valid	Power Grid Corporation of india limited
	Approval for Over Head crossing of various 400/220/132 kV line of MPPTCL by proposed 765 kV D/C Hexa Khandwa-Dhule line of Khargone Transmission limited	16-Oct-17	Valid	Madhya Pradesh Power transmission Company Ltd
	Approval For Overhead crossing of various lines of MPPTCL By proposed 765 kV D/C Hexakhandwa-Indore & Hexa Khandwa Dhule line of Khargone Transmisssion Ltd.	20-Nov-17	Valid	Madhya Pradesh Power transmission Company Ltd
	Approval of power line crossing proposal for 765 KV D/C Hexa Khandwa-Dhule line from 765kV S/C Dhule-Aurangabad & 765 kV S/C Dhule-Vadodara line	27-Dec-17	Valid	Bhopal Dhule Transmission Company Ltd
	Approval for Over Head crossing of various 132 kV & 400kV line of MPPTCL by proposed 765 kV DCDS Hexa Zebra Khandwa-Dhule line of M/S Khargone Transmission limited	26-Feb-18	Valid	Madhya Pradesh Power transmission Company Ltd
	Approval for overhead crossing of 132 kV Barwaha-Chhegaon tap sanawad DCDS line of MPPTCL by proposed 765 kV D/C Hexa Khandwa-dhule line of KTL	31-Oct-18	Valid	Madhya Pradesh Power transmission Company Ltd
	Approval for Over head crossing of 132 kV Julwania-shahpura line of MPPTCL By Proposed 765 kV DCDC Hexa Zebra khandwa-Dhule line of M/S Khargone Transmission Limited	31-Oct-18	Valid	Madhya Pradesh Power transmission Company Ltd
	Approval for crossing of 400 kV saint singhaji TPS Stage 2 pithampur PCDS line of MPPTCL (Under Construction) by proposed 400 kV Quad khargone (TPP) Khandwa line of M/S Khargone transmizssion Co ltd.	22-Jan-19	Valid	Madhya Pradesh Power transmission Company Ltd
	Approval order for various power line crossings of MPPTCL	1-Feb-19	Valid	Madhya Pradesh Power Transmission Company Ltd.
	Approval for crossing EVH lines of MPPTCL by 400kV D/C Quad Khargone (TPP)- Khandw (Pooling) transmission line (Under construction) of M/S Khargone Transmission Co Ltd.	1-Feb-19	Valid	Madhya Pradesh Power transmission Company Ltd
	Approval for OverHead crossing of various line of MPPTCL by proposed765 kV D/C Hexa Khandwa-Dhule line of Khargone Transmission Ltd	22-Jul-20	Valid	Madhya Pradesh Power transmission Company Ltd
	Approval for Over Head Crossing of POWERGRID's 400 KV D/C Khandwa-Indore by KTL's 765 kV D/C Hexa Khandwa-Dhule line	3-Dec-20	Valid	Power Grid Corporation of india limited
10	Power & Telecommunication Coordination Committee ("PTCC") Clearance			
	PTCC Route Approval 765KV double circuit Khandwa-Dhule transmission line for Maharashtra Portion.	11-May-17	Valid	Power And Telecommunication Coordination Committee
	765 kV Double circuit khandwa-Dhule for Maharashtra portion	6-Nov-17	Valid	Power And Telecommunication Coordination Committee
	765 kV Double circuit khandwa-Dhule for Madhya pradesh portion	6-Nov-17	Valid	Power And Telecommunication Coordination Committee
	400 kV Double circuit LILO Khandwa - Rajgarh	6-Nov-17	Valid	Power And Telecommunication Coordination Committee
	765 kV Double circuit khandwa-Indore	30-Nov-17	Valid	Power And Telecommunication Coordination Committee
	400 kV Double circuit khargone TPP - Khandwa	30-Nov-17	Valid	Power And Telecommunication Coordination Committee
	PTCC Route Approval 765 KV Hexa Khandwa-Dhule transmission line	28-Sep-21	Valid	Power And Telecommunication Coordination Committee

Source: Investment Manager

Appendix 7.13: KTL: Approvals & Licences Summary (4/4)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
11	Approvals issued by the CEA, for energisation of:			
	Approval of the Government under section 68 of the Electricity Ac, 2003 for "Transmission System Strengthening in WR associated with Khargone TPP (1320 MW)"	25-Jan-16	Valid	Central Electricity Authority, Electrical Inspectorate Division
	Electronic Installation of LILO of one ckt of 400KV DC Khandwa-Rajgarh line at Khargone TPP	23-Feb-18	Valid	Central Electricity Authority, Electrical Inspectorate Division
	765 kV bays for Khandwa Pool- Dhule 765kV D/C line at Dhule 765/400kV S/s of BDTCL	31-Oct-18	Valid	Central Electricity Authority, Electrical Inspectorate Division
	765 kV D/C Khandwa Pool- Indore Transmission line of Khargone Transmission Ltd	6-Feb-20	Valid	Central Electricity Authority, Electrical Inspectorate Division
	Electronic Installations of 400kV Khargone TPP Switch yard-Khandwa Pool Transmission line in the premises of M/s Khargone Transmission Ltd	13-Mar-20	Valid	Central Electricity Authority, Electrical Inspectorate Division
	Electronic Installations of 765/400kV Khandwa Substation in the premises of M/s Khargone Transmission Ltd	26-Nov-20	Valid	Central Electricity Authority, Electrical Inspectorate Division
	765kV line reactors (80 MVAr) R, Y and B Phase and Spare reactor of KTL Bay Extension due to long outage at Dhule S/s of BDTCL	27-Nov-20	Valid	Central Electricity Authority, Electrical Inspectorate Division
	765 kV D/C Khandwa Pool- Dhule Transmission line of Khargone Transmission Ltd	4-Dec-21	Valid	Central Electricity Authority, Electrical Inspectorate Division
12	Approval for installation of 765kV D/C & 400kV D/C transmission line.	3-Aug-17	Valid	Directorate General of Signals
13	Aviation Clearance - NOC for Transmission Line	16-Oct-19	7	Airport Authority of India
14	Approval for Deposit of Tax for Khandwa S/S Land	26-Jul-19	Valid	Tehsildar, Khandwa
15	Approval of demolishing borewell at Khandwa	26-Dec-19	Valid	Tehsildar, Khandwa
16	Approval of Building Plan of 765/400kV substation at Mortakka Mafi Punasa	28-Aug-20	Valid	Government of Madhya Pradesh

Source: Investment Manager

Appendix 7.14: KLMTL: Approvals & Licences Summary (1/1)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Transmission Service Agreement between Kallam & Renew Solar Power Private Limited	30-Sep-21	Valid	
2	Certificate of Incorporation	28-May-20	Valid	Registrar of Companies
3	Transmission Service Agreement between Kallam & Renew Solar Power Private Limited	30-Sep-21	Valid	

Source: Investment Manager

Appendix 7.15: JKTPL: Approvals & Licences Summary (1/2)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	**Energisation approval**			
	- 400 KV D/C Jharli- Kabulpur Transmission line	6-Mar-12	Valid	Electrical Inspectorate, Haryana
	- 400 KV LILO Line Abdulapur - Bawana at S/stn. Deepalpur, Sonepat	6-Mar-12	Valid	Electrical Inspectorate, Haryana
	- 400 KV D/C Quad - Kabulpur Deepalpur Transmission Line	6-Mar-12	Valid	Electrical Inspectorate, Haryana
2	Approval under section 68 of Electricity Act, 2003	8-Sep-10	Valid	Ministry of Power
3	Approval under section 164 of the Electricity Act, 2003	9-Dec-10	25	Haryana Government, Power Department
4	**Power & Telecommunication Coordination Committee ("PTCC") Clearance**			
	Jharli-Kabulpur-Dipalpur Transmission Line	27-Jan-12	Valid	PTCC, Government of India
	Abdullapur-Bawana LILO Line	27-Jan-12	Valid	PTCC, Government of India
5	**Railway Crossing**			
	Jharali - Charkhi Dadri section Rewari - Bhiwani	7-May-15	Valid	North Western Railway
	Chuliana Kharwar - Dighal Road Rohtak - Jhajjhar section T.P.no. 6/0 - 7/0	2-May-14	Valid	Northern Railway
	Ismaila Haryana - Kharawar on SSB - ROK section T.P.no. 55/1-3	24-Apr-14	Valid	Northern Railway
	Rathdhana -Harsana Kalan on DUK section T.P.no. 36/27 & 36/29	24-Apr-14	Valid	Northern Railway
6	**Road Crossing**			
	NH-1 (New NH-44) between AP29/1 - AP30/0 at Chainage KP39 and KP 40	30-Mar-12	Valid	National Highway Authority of India
	NH-71 (New NH-352) between AP3/0 - AP3/1 Agreement Signed	5-Apr-12	Valid	National Highway Authority of India
	NH-71	14-Nov-11	Valid	National Highway Authority of India

Source: Investment Manager

Appendix 7.15: JKTPL Approvals & Licences Summary (2/2)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
7	**Power Line Crossing**			
	LOC No. 8/13 (QD+25) - 8/14 (QD+6)	27-May-11	Valid	Bakhra Vyas praband board (Electricity section)
	400 KV D/C Quad, Jharli-Kabulpur transmission Line	22-Apr-11	Valid	Haryana Vidyut Prasaran Nigam Limited
	400 KV D/C Quad, Jharli-Kabulpur transmission Line with HVPNL 132KV/220KV Lines	6-Jul-11	Valid	Haryana Vidyut Prasaran Nigam Limited
	Crossing arrangement of KT Transco Line at location No. 27/4 (QD+9) - 27/5 (QD+18) with Transmission Line No 17 & 18 of HVPNL 132 KV Sonipat-Rai Line	22-Dec-11	Valid	Haryana Vidyut Prasaran Nigam Limited
	400 KV D/C Jhajjar-Kabulpur-Dipalpur Transmission Line location no. 10/0 (QD+25) - 11/0 (QD+25)	1-Oct-11	Valid	Power Grid Corporation of India
	400 KV D/C Bawana Bhiwani transmission Line between Tower No 111-112 by 400 KV Jharli-Kabalpur-Dipalpur D/C Transmission Line	29-Nov-11	Valid	Power Grid Corporation of India
	Ballabgarh-Charkhi-Dadri-Samaypur Dadri Charkhi Transmission Line of BBMB	3-Aug-11	Valid	Bakhra Vyas praband board (Electricity section)
	Crossing between 31A/0-32/0 and 27/7-27/8 in relation to 400 KV Jhajjar transmission Project	17-Jan-12	Valid	Bhakda Vyas vidyut Board, Chandigarh
8	**Completion Certificate - Independent Engineer**			
	Jharli-Kabulpur-Dipalpur Transmission Line	15-Jun-12	Valid	M/s.Lahmeyer International (India) Private
	Abdullapur-Bawana LILO Line	15-Jun-12	Valid	M/s.Lahmeyer International (India) Private
9	**Forest Clearance**			
	Diversion of 0.1560 hec. Forest Land for Jhali-Kubulpur-Debalpur Transmission Line in Bhiwani District	17-Feb-12	Valid	Ministry of Environment and Forests
	Diversion of 1.243 hec. Forest Land for Jharli-Kabulpur-Dipalpur Transmission Line in Jhajjar District	21-Feb-12	Valid	Ministry of Environment and Forests
	Diversion of 0.8840 hec. Forest Land for Jharli-Kabulpur-Dipalpur Transmission Line in Rohtak District	21-Feb-12	Valid	Ministry of Environment and Forests
	Diversion of 0.8372 hec. Forest Land for Jharli-Kabulpur-Dipalpur Transmission Line in Sonepat District	8-Feb-12	Valid	Ministry of Environment and Forests
10	Transmission License (Project Specific - For Jhajjar Power Transmission Project)	26-Oct-10	25	Haryana Electricity Regulatory Commission
11	**Labour License Under The Contract Labour (Regulation & Abolition) Act, 1970**			
	Certificate of registration	1-Apr-10	Valid	Office of Deputy Labour Commissioner & Registering Officer

Source: Investment Manager

Appendix 7.16: PrKTCL: Approvals & Licences Summary (1/2)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Transmission License	15-Sep-08	25	Central Electricity Regulatory Commission
2	**Transmission Service Agreement**			
	Transmission Service Agreement between PKTCL & Power Grid Corporation of India Ltd	24-Dec-13	Valid	
	Revenue Sharing Agreement between PKTCL & Power Grid Corporation of India Ltd	24-Dec-13	Valid	
3	Approval under section 68(1) of Electricity Act, 2003	14-Nov-08	Valid	Ministry of Power, Government of India
4	Approval from GOI under section 164 of Electricity Act, 2003 - Under Gazette of India	4-Jun-09	25	Ministry of Power, Government of India
5	Approval for Energisation under regulation 43 of CEA	30-Jun-13	Valid	Central Electricity Authority, Ministry of Power, GOI
6	Tariff Order under Section 63 of the Electricity Act for adoption of transmission charges in respect of the transmission system.	15-Jan-16	Valid	Central Electricity Regulatory Authority
7	**Defence Clearance**			
	NOC from aviation angle for construction of Transmission line by PKTCL	29-Jan-09	Valid	Air HQ, Ministry of Defence
8	**Aviation Clearance**			
	NOC for Height Clearance	15-Mar-10	Valid	Airports Authority Of India
9	**Power & Telecommunication Coordination Committee ("PTCC") Clearance**			
	Approval to the route of 2x400 KV S/C Parbati - Koldam transmission line	1-Jun-10	Valid	Power & Telecom Co-ordination Committee, GOI
	Approval to the route of 400 KV D/C Koldam - Ludhiana transmission line	30-Jul-10	Valid	Power & Telecom Co-ordination Committee, GOI
10	**Road Crossing**			
	NOC for crossings of 400 KV D/C Koldam-Ludhiana lines over NH-21	20-Aug-10	Valid	National Highway Authority of India
	NH-1, at Bilgarh, District Ludhiana	13-May-13	Valid	National Highway Authority of India
11	**Railway Crossing**			
	Bharatgarh-Kiratpur Railway Stations	6-Feb-12	Valid	Northern Railway, Ambala Divisional Office
	Jassowal-Gill Railway Stations	9-Jul-12	Valid	Northern Railway, Ambala Divisional Office
	New Morinda-Sahnewal Railway Link (Village Barwal)	14-May-13	Valid	Northern Railway, Ambala Divisional Office
	Doraha-Sahnewal Railway Stations	9-Oct-13	35	Northern Railway, Ambala Divisional Office
12	**Diversion of Forest Land/ Permission for felling of trees**			
	Diversion of Forest land in favour of PKTCL	20-Jun-12	Valid	Ministry of Environment & Forest, GOI
	Diversion of Forest land in favour of PKTCL	30-Nov-12	Valid	Ministry of Environment & Forest, GOI
	Diversion of Forest land in favour of PKTCL	01-Jan-13	Valid	Ministry of Environment & Forest, GOI

Source: Investment Manager

Appendix 7.16: PrKTCL: Approvals & Licences Summary (2/2)

Sr. No.	Approvals	Date of Issue	Validity (in years)	Issuing Authority
13	**Power Line Crossing**			
	NOC for construction of 400 KV D/C Koldam-Ludhiana line in administrative jurisdiction	27-Jul-07	Valid	Public Works Department - Ludhiana
	Approval for crossing of 400 KV D/C Koldam-Ludhiana line with 400 KV D/C Nalagarh-Jhakhari and Nalagarh-Koldam Lines	21-Nov-11	Valid	Power Grid Corporation of India Ltd
	Approval for crossing of 400 KV D/C Koldam-Ludhiana line with PSEB Lines	16-Mar-10	Valid	Punjab State Electricity Board
	Approval for power line crossing of 400 KV D/C PKTCL Ckt. I&II with 220 KV D/C ADHPL- Transmission line	18-Nov-11	Valid	A D Hydro Power Ltd.
	NOC for power line crossing of 400 KV D/C Koldam-Ludhiana with 220 KV D/C ADHPL- Transmission line	04-Jul-12	Valid	A D Hydro Power Ltd.
	Approval for shutdown for construction of 2x400 KV S/C Parvati II-Koldam line crossing of HPSEBL Transmission line	16-Dec-11	Valid	Himachal Pradesh State Electricity Board Ltd.
	Approval for crossing of 400 KV D/C Koldam-Ludhiana line with 66 KV D/C Nalagarh-Bagheri Line	01-Aug-13	Valid	Himachal Pradesh State Electricity Board Ltd.
	Approval for crossing of 400 KV D/C Koldam-Ludhiana line with 132 KV Kangoo-Kunihar Line	19-May-14	Valid	Himachal Pradesh State Electricity Board Ltd.
	NOC for crossings of 2x400 KV D/C Koldam-Ludhiana lines over NH-21 at Villages Banala, Deod and Tandi	23-Mar-10	Valid	Public Works Department - Himachal Pradesh
	NOC for crossings of 400 KV D/C Koldam-Ludhiana lines over NH-88	06-May-10	Valid	Public Works Department - Himachal Pradesh
	NOC for crossings of 400 KV D/C Koldam-Ludhiana lines over NH-21	09-Aug-10	Valid	Public Works Department - Himachal Pradesh
	Approval for crossing of 400 KV D/C Koldam-Ludhiana line with PSTCL Line	03-Jan-11	Valid	Punjab State Transmission Corp Ltd.
	Approval for crossing of 400 KV D/C Koldam-Ludhiana line with 220 KV D/C Sahnewal-Lalton Kalan Line	13-Sep-11	Valid	Punjab State Transmission Corp Ltd.
	Approval for crossing of 400 KV D/C Koldam-Ludhiana line with 220 KV D/C Doraha-Sahnewal and Kohara-Gaunsgarh Lines	01-Jan-13	Valid	Punjab State Transmission Corp Ltd.
	Approval for crossing of 400 KV D/C Koldam-Ludhiana line with 220 KV Bhakra-Ganguwal and Dehar-Ganguwal Lines	25-Mar-10	Valid	Bhakra Beas Management Board (PW), Chandigarh
	Approval for crossing of 400 KV D/C Koldam-Ludhiana line with 220 KV Ganguwal-Jagadhri Line	13-Jul-11	Valid	Bhakra Beas Management Board (PW), Chandigarh
	Approval for crossing of 400 KV D/C Koldam-Ludhiana line with 220 KV Ganguwal-Dhulkote Line	25-Jun-13	Valid	Bhakra Beas Management Board (PW), Chandigarh
	Approval for crossing of 400 KV D/C Koldam-Ludhiana line with 220 KV Jamalpur-Sangrur Line	11-Dec-13	Valid	Bhakra Beas Management Board (PW), Chandigarh
	Approval for crossing of 400 KV D/C Koldam-Ludhiana line with 400 KV S/C Dehar Bhiwani Line	09-May-14	Valid	Bhakra Beas Management Board (PW), Chandigarh

Source: Investment Manager

Appendix 7.17: SitamauSS: Approvals & Licences Summary (1/1)

Sr No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	CTE	NA	NA	NA
2	CTO	NA	NA	NA
3	Letter of allotment/registration	NA	NA	NA
4	CEIG	1.4.23	31.3.24	Chief Electrical Inspectorate
5	Power Evacuation/Connectivity Approval	14.10.14	Valid	MPPTCL
6	Fire License	NA	NA	NA
7	Interconnection Approval	NA	NA	NA
8	COD	NA	NA	NA

2. Solar Assets:

Appendix 7.18: ISPL 1 : Approvals & Licences Summary

Sr. No.	Approvals and Licences	Date of Issue	Validity (in years)	Issuing Authority
1	Original and Revised commissioning certificate	16-Aug-18	Valid	APSPCL
2	Certificate of importer-exporter code	22-Feb-17	Valid	Director General of Foreign Trade, Ministry of Commerce and Industry
3	Industrial Entrepreneurship Memorandum Part 1 acknowledgement	23-Nov-16	-	Ministry of Commerce and Industry
4	Synchronisation certificate and Connectivity report	-	-	-
5	Certificate from principal employer in Form V under the Contract Labour (Regulation and Abolition) Rules 1971	9-May-17	-	-
6	Letter of intent dated issued by SECI to FRV SH XI	16-Aug-16	-	Solar Energy Corporation of India Limited
7	Land handing over certificate	5-May-17	-	APSPCL
8	Land possession certificate	5-May-17	-	APSPCL
9	Certificate of registration of establishment Andhra Pradesh (Issuance of Integrated Registration and Furnishing of Combined Returns under various Labour Laws by certain Establishment) Act, 2015 to FRV Farm I (now ISPL 1) for Solar Power Project	16-Sep-21	Valid	Labour Department, Government of Andhra Pradesh
10	Licence to work a factory under Factories Act 1948	19-Jun-18	Valid	Inspector of Factories
11	Approvals for evacuation and grid connectivity		-	APSPCL
12	Drawings and energisation approval from Chief Electrical Inspectorate to Government	5-Mar-18	-	Directorate of Electrical Safety, Government of Andhra Pradesh
13	Registration with Southern Regional Load Despatch Centre (SRLDC)	3-Sep-18	-	Power System Operation Corporation ofIndia
14	Approval of Change in Law on account of Implementation of GST Laws	7-Oct-22		Solar Energy Corporation of India Limited

Source: Investment Manager

Appendix 7.19: ISPL 2 : Approvals & Licences Summary

Sr. No.	Approvals and Licences	Date of Issue	Validity (in years)	Issuing Authority
1	Commissioning certificate	8-Oct-18	Valid	APSPDCL
2	Certificate of importer-exporter code	21-Feb-17	Valid	Director General of Foreign Trade, Ministry of Commerce & Industry, GOI
3	Industrial Entrepreneurship Memorandum Part 1 acknowledgement	23-Nov-16	-	Ministry of Commerce and Industry
4	Form V under the Contract Labour (Regulation and Abolition) Rules 1971	10-May-17	-	-
5	Letter of intent issued by SECI to FRV SH XI	16-Aug-16	-	Solar Energy Corporation of India Limited
6	Land handing over certificate issued by APSPCL	13-Nov-17	-	APSPCL
7	Land possession certificate issued by APSPCL	13-Nov-17	-	APSPCL
8	Certificate of registration of establishment Andhra Pradesh (Issuance of Integrated Registration and Furnishing of Combined Returns under various Labour Laws by certain Establishment) Act, 2015 to FRV India Solar Park II Private Limited (now ISPL 2)	16-Sep-21	Valid	Labour Department, Government of Andhra Pradesh
9	Licence to work a factory under Factories Act, 1948	3-Nov-18	Valid	Inspector of Factories
10	Chief Electrical Inspectorate drawings and energisation approval	8-Aug-18	-	Directorate of Electrical Safety, Government of Andhra Pradesh
11	Approvals for evacuation and grid connectivity		-	APSPCL
12	Registration with Southern Regional Load Despatch Centre (SRLDC)	24-Dec-18	-	Power System Operation Corporation ofIndia
13	Synchronisation certificate of ISPL 2 Project	29-Sep-18	-	-
14	Approval of Change in Law on account of Implementation of GST Laws	28-Nov-22	-	Solar Energy Corporation of India Limited

Source: Investment Manager

Appendix 7.20: TNSEPL : Approvals & Licences Summary (1/2)

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Consent to Establish - Air, required u/s 21 of Air Act 1981			
	5 MW Solar Power Plant	10-Aug-15	NA	Tamilnadu Pollution Control Board
	8 MW Solar Power Plant	3-Nov-15	NA	Tamilnadu Pollution Control Board
	10 MW Solar Power Plant	12-Feb-16	NA	Tamilnadu Pollution Control Board
2	Consent to Establish - Water, required u/s 25 of Water Act, 1974			
	5 MW Solar Power Plant	10-Aug-15	NA	Tamilnadu Pollution Control Board
	8 MW Solar Power Plant	3-Nov-15	NA	Tamilnadu Pollution Control Board
	10 MW Solar Power Plant	12-Feb-16	NA	Tamilnadu Pollution Control Board
3	Consent to Operate - Air, required u/s 21 of Air Act 1981			
	8 MW Solar Power Plant	15-Sep-15	NA	Tamilnadu Pollution Control Board
	10 MW Solar Power Plant	12-Feb-16	NA	Tamilnadu Pollution Control Board
4	Consent to Operate - Water, required u/s 25 of Water Act, 1974			
	8 MW Solar Power Plant	3-Nov-16	NA	Tamilnadu Pollution Control Board
	10 MW Solar Power Plant	12-Feb-16	NA	Tamilnadu Pollution Control Board
5	CEIG Safety Certificate required under Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 for energization of the electrical equipment comprising the project			
	5 MW Solar Power Plant	2-Feb-22	Valid	Electrical Inspector
	8 MW Solar Power Plant	17-Feb-22	Valid	Electrical Inspector
	10 MW Solar Power Plant	25-Jun-21	Valid	Electrical Inspector
6	Power Evacuation Approval for evacuation of power from the solar power plant to TANGEDCO Substation			
	5 MW Solar Power Plant	26-Dec-15	Valid	TANGEDCO
	8 MW Solar Power Plant	26-Sep-15	Valid	TANGEDCO
	10 MW Solar Power Plant	28-Oct-15	Valid	TANGEDCO

Source: Investment Manager

Appendix 7.20: TNSEPL : Approvals & Licences Summary (2/2)

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
7	Commissioning Certificate (COD) for evidencing commissioning of the entire capacity of the project			
	5 MW Solar Power Plant	19-Oct-15	Valid	Superintenting Engineer, TANGEDCO
	8 MW Solar Power Plant	30-May-16	Valid	Superintenting Engineer, TANGEDCO
	10 MW Solar Power Plant	28-Dec-15	Valid	Superintenting Engineer, TANGEDCO
8	Fire License required u/s 13 of Tamil Nadu Fire Service Act 1985			
	10 MW Solar Power Plant	25-Jun-21	Valid	District Officer-Fire & Rescue Service
9	Factory License obtained under Form No.4 Registration and License to work a factory			
	5 MW Solar Power Plant	24-Jan-20	Valid	Joint Director
	8 MW Solar Power Plant	23-Jan-20	Valid	Joint Director
	10 MW Solar Power Plant	31-Dec-20	Valid	Joint Director
10	NOC from Gram Panchayat for undertaking construction on any land falling within the jurisdiction of the gram panchayat			
	5 MW Solar Power Plant	6-Jul-15	Valid	Village Panchayat
	8 MW Solar Power Plant	21-May-15	Valid	Village Panchayat
	10 MW Solar Power Plant	25-Mar-15	Valid	Village Panchayat

Source: Investment Manager

Appendix 7.21: UMD : Approvals & Licences Summary

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Consent to Establish - Air, required u/s 21 of Air Act 1981			
	12 MW Solar Power Plant	25-Jun-15	NA	Tamilnadu Pollution Control Board
	13 MW Solar Power Plant	29-Sep-15	NA	Tamilnadu Pollution Control Board
2	Consent to Establish - Water, required u/s 25 of Water Act, 1974			
	12 MW Solar Power Plant	25-Jun-15	NA	Tamilnadu Pollution Control Board
	13 MW Solar Power Plant	29-Sep-15	NA	Tamilnadu Pollution Control Board
3	Consent to Operate - Air, required u/s 21 of Air Act 1981			
	12 MW Solar Power Plant	20-Dec-15	NA	Tamilnadu Pollution Control Board
4	Consent to Operate - Water, required u/s 25 of Water Act, 1974			
	12 MW Solar Power Plant	20-Dec-15	NA	Tamilnadu Pollution Control Board
5	CEIG Safety Certificate required under Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 for energization of the electrical equipment comprising the project			
	12 MW Solar Power Plant	4-Nov-15	Valid	Electrical Inspector
	5 MW (out of 13 MW) Solar Power Plant	21-Mar-16	Valid	Electrical Inspector
	8 MW (out of 13 MW) Solar Power Plant	21-Mar-16	Valid	Electrical Inspector
6	Power Evacuation Approval for evacuation of power from the solar power plant to TANGEDCO Substation			
	12 MW Solar Power Plant	12-Nov-15	Valid	TANGEDCO
	13 MW Solar Power Plant	17-Mar-16	Valid	TANGEDCO
7	Commissioning Certificate (COD) for evidencing commissioning of the entire capacity of the project			
	12 MW Solar Power Plant	2-Dec-15	Valid	Superintenting Engineer, TANGEDC(
	13 MW Solar Power Plant	7-May-16	Valid	Superintenting Engineer, TANGEDC(
8	Fire License required u/s 13 of Tamil Nadu Fire Service Act 1985			
	13 MW Solar Power Plant	2-Mar-22	Valid	District Officer-Fire & Rescue Servic
9	Factory License obtained under Form No.4 Registration and License to work a factory			
	13 MW Solar Power Plant	22-Dec-20	Valid	Joint Director
10	NOC from Gram Panchayat for undertaking construction on any land falling within the jurisdiction of the gram panchayat			
	12 MW Solar Power Plant	11-Apr-15	Valid	Village Panchayat
	13 MW Solar Power Plant	NA	Valid	Village Panchayat

Source: Investment Manager

Appendix 7.22: TL Kanji : Approvals & Licences Summary

Project I ; TKSPL

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Consent to Establish - Air, required u/s 21 of Air Act 1981	13-Jan-16	NA	Tamilnadu Pollution Control Board
2	Consent to Establish - Water, required u/s 25 of Water Act, 1974	13-Jan-16	NA	Tamilnadu Pollution Control Board
3	Consent to Operate - Air, required u/s 21 of Air Act 1981	24-Jun-16	NA	Tamilnadu Pollution Control Board
4	Consent to Operate - Water, required u/s 25 of Water Act, 1974	24-Jun-16	NA	Tamilnadu Pollution Control Board
5	CEIG Safety Certificate required under Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 for energization of the electrical equipment comprising the project	21-Mar-16	Valid	Electrical Inspector
6	Power Evacuation Approval for evacuation of power from the solar power plant to TANGEDCO Substation	16-Mar-16	Valid	TANGEDCO
7	Commissioning Certificate (COD) for evidencing commissioning of the entire capacity of the project	29-Mar-16	Valid	Superintenting Engineer, TANGEDC(
8	Fire License required u/s 13 of Tamil Nadu Fire Service Act 1985	1-Jun-21	Valid	District Officer-Fire & Rescue Servic
9	Factory License obtained under Form No.4 Registration and License to work a factory	3-Dec-18	Valid	Joint Director
10	NOC from Gram Panchayat for undertaking construction on any land falling within the jurisdiction of the gram panchayat	NA	Valid	Village Panchayat

Source: Investment Manager

Project II : Lalitpur Project

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Power Evacuation Approval	19-Jun-14	Valid	Uttar Pradesh Power Transmission Corporation Limited ("UPPTCL")
2	Commissioning Certificate (COD) for evidencing commissioning of the entire capacity of the project	20-Mar-15	Valid	Engineer Testing, DVVNL
3	NOC from Gram Panchayat for undertaking construction on any land falling within the jurisdiction of the gram panchayat	NA	Valid	Village Panchayat

Appendix 7.23: TL Raj : Approvals & Licences Summary

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	CEIG Safety Certificate required under Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010	24-Sep-18	Valid	Electrical Inspector
2	Power Evacuation Approval for evacuation of power from the solar power plant to TANGEDCO Substation	24-Sep-18	Valid	TANGEDCO
3	Commissioning Certificate (COD) for evidencing commissioning of the entire capacity of the project	24-Oct-18	Valid	Superintenting Engineer, TANGEDCO
4	Fire License required u/s 13 of Tamil Nadu Fire Service Act 1985	4-Oct-21	Valid	District Officer-Fire & Rescue Service
5	Factory License obtained under Form No.4 Registration and License to work a factory	30-Aug-19	Valid	Joint Director
6	NOC from Gram Panchayat for undertaking construction on any land falling within the jurisdiction of the gram panchayat	25-Sep-20	Valid	Village Panchayat
7	Registration under the Clean Development Mechanism of United Nations Framework Convention on Climate Change	13-Aug-19	Valid	NA

Source: Investment Manager

Appendix 7.24: Solar Edge : Approvals & Licences Summary

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	CEIG Safety Certificate required under Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010			
	80 MW Solar Power Plant, Parli	12-Jan-18	Valid	Electrical Inspector
	50 MW Solar Power Plant, Muktainagar	17-May-18	Valid	Electrical Inspector
2	Power Evacuation Approval for evacuation of power from the solar power plant to Maharashtra State Electricity Transmission Co. Ltd. ("MSETCL") Substation			
	80 MW Solar Power Plant, Parli	1-Feb-18	Valid	MSETCL
	50 MW Solar Power Plant, Muktainagar	21-Mar-18	Valid	MSETCL
3	Commissioning Certificate (COD) for evidencing commissioning of the entire capacity of the project			
	50 MW Solar Power Plant, Parli	1-Aug-18	Valid	General Manager
	30 MW Solar Power Plant, Parli	1-Aug-18	Valid	General Manager
	50 MW Solar Power Plant, Muktainagar	1-Aug-18	Valid	General Manager
4	NOC from Gram Panchayat for undertaking construction on any land falling within the jurisdiction of the gram panchayat			
	50 MW Solar Power Plant, Parli	1-May-17	Valid	Village Panchayat
	30 MW Solar Power Plant, Parli	2-May-17	Valid	Village Panchayat
	50 MW Solar Power Plant, Muktainagar	3-Jun-17	Valid	Village Panchayat
5	Borewell/Ground water permission from Central Ground Water Authority			
	50 MW Solar Power Plant, Muktainagar	28-May-18	Valid	Senior Geologist
6	Fire License	17-Dec-21	Valid	Chief Fire Officer
7	Factory License obtained to work a factory			
	50MW Solar Power Plant, Parli	12-Jul-21	Valid	Joint Director
	30MW Solar Power Plant, Parli	13-Jul-21	Valid	Joint Director
	50MW Solar Power Plant, Muktainagar	17-Feb-21	Valid	Joint Director
8	Registration under the Clean Development Mechanism of United Nations Framework Convention on Climate Change (if any)	13-Aug-19	Valid	NA

Source: Investment Manager

Appendix 7.25: TL Charanka : Approvals & Licences Summary

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Consent to Establish - Air, required u/s 21 of Air Act 1981	9-Nov-12	NA	Gujarat Pollution Control Board
2	Consent to Establish - Water, required u/s 25 of Water Act, 1974	9-Nov-12	NA	Gujarat Pollution Control Board
3	Consent to Operate - Air, required u/s 21 of Air Act 1981	30-Aug-13	NA	Gujarat Pollution Control Board
4	Consent to Operate - Water, required u/s 25 of Water Act, 1974	30-Aug-13	NA	Gujarat Pollution Control Board
5	Letter of Registration/Allotment for the allotment of a 15 MW project in favour of SSEG, being developed in Charanka Solar Park, Gujarat.	28-May-10	Valid	Energy and Petrochemicals Department, Government of Gujarat
6	CEIG Safety Certificate required under Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 for energization of the electrical equipment comprising the project	31-Jan-12 and 15- Mar-12	Valid	Chief Electrical Inspector, Government of Gujarat
7	Factory License	01-08-2019	Valid	Directorate Industrial Safety & Health, Gujarat State
8	Fire License			Exempted as per the Notification of Urban Development and Urban Housing Department ,Government of Gujarat dated 8th July,2021
9	Power Evacuation Approval for evacuation of power from the solar power plant to the 66kV Dahisar substation of Gujarat Energy Transmission Corporation Limited ("GETCO")	4-Jul-11	Valid	GETCO
10	Commissioning Certificate (COD) for evidencing commissioning of the entire capacity of the project			
	14.92 MW Solar Power Plant	17-Apr-12	Valid	Gujarat Energy Development Authority
	0.08 MW Solar Power Plant	7-Nov-12	Valid	Gujarat Energy Development Authority

Source: Investment Manager

Appendix 7.26: TL Tinwari : Approvals & Licences Summary

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Consent to Establish - Water, required u/s 25 of Water Act, 1974	23-Feb-10	NA	Rajasthan State Pollution Control Board
2	Consent to Operate - Water, required u/s 25 of Water Act, 1974	3-Nov-15	NA	Rajasthan State Pollution Control Board
3	Letter of Registration/Allotment for allotment of a 5 MW solar power project in favour of SSE, being developed at village Tinwari, district Jodhpur, Rajasthan.	2-Mar-09	Valid	Rajasthan Renewable Energy Corporation Limited
4	CEIG Safety Certificate required under Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 for energization of the electrical equipment comprising the project	22-Nov-11	Valid	Electrical Inspector, Government of Rajasthan
5	Power Evacuation Approval for evacuation of power from the solar power plant to 220 kV Tinwari grid substation through a 33 kV line	24-Dec-10	Valid	Rajasthan Rajya Vidyut Prasaran Nigam Limited
6	Fire License	3-Jan-22	Valid	Chief Fire Officer, Jodhpur
7	Interconnection Approval for interconnection of the project to the 220kV grid substation	11-Oct-11	Valid	Rajasthan Rajya Vidyut Prasaran Nigam Limited
8	Commissioning Certificate (COD) for evidencing commissioning of the entire capacity of the project	21-Oct-11	Valid	Rajasthan Renewable Energy Corporation Limited

Source: Investment Manager

Appendix 7.27: PLG : Approvals & Licences Summary

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Consent to Establish - Air, required u/s 21 of Air Act 1981	18-Nov-11	NA	Gujarat Pollution Control Board
2	Consent to Establish - Water, required u/s 25 of Water Act, 1974	18-Nov-11	NA	Gujarat Pollution Control Board
3	Consent to Operate - Air, required u/s 21 of Air Act 1981	14-Mar-12	NA	Gujarat Pollution Control Board
4	Consent to Operate - Water, required u/s 25 of Water Act, 1974	14-Mar-12	NA	Gujarat Pollution Control Board
5	Letter of Registration/Allotment for the allotment of a 20 MW solar power project in favour of PLG, being developed at Patan, Gujarat	16-Oct-10	Valid	Energy and Petrochemicals Department, Government of Gujarat
6	CEIG Safety Certificate required under Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 for energization of the electrical equipment comprising the project	20-Jan-12	Valid	Chief Electrical Inspector, Government of Gujarat
7	Power Evacuation Approval for evacuation of power from the solar power plant to 220/400 kV substation of GETCO	20-Aug-11	Valid	GETCO
8	Commissioning Certificate (COD) for evidencing commissioning of the entire capacity of the project	23-Feb-12	Valid	Gujarat Energy Development Authority
9	Fire License			Exempted as per the Notification of Urban Development and Urban Housing Department ,Government of Gujarat dated 8th July,2021
10	Factory License	1-Jun-20	Valid	Directorate Industrial Safety & Health, Gujarat State
11	NOC from Gram Panchayat for undertaking construction on any land falling within the jurisdiction of the gram panchayat	3-Sep-11	Valid	Dahisar Village Panchayat

Source: Investment Manager

Appendix 7.28: USUPL : Approvals & Licences Summary

Project I: USUPL

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Letter of Registration/Allotment for the allotment of 30 MW solar project in favour of Sukhbir Agro Energy Limited (the erstwhile sellers)	2-Feb-15	Valid	Uttar Pradesh New & Renewable Energy Development Agency ("UPNREDA")
2	CEIG Safety Certificate required under Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 for energization of the electrical equipment comprising the project	14-Sep-16	Valid	Chief Electrical Inspector, Government of Uttar Pradesh
3	Power Evacuation Approval for evacuation of power from the solar power plant to the 132 kV Panwari substation	10-Nov-15	Valid	Uttar Pradesh Power Transmission Corporation Limited ("UPPTCL")
4	NOC from Gram Panchayat for undertaking construction on any land falling within the jurisdiction of the gram panchayat	16-Nov-15	Valid	Village Panchayat
5	Fire license	13-Dec-20	Valid	Fire Service Department, Uttar Pradesh
6	Commissioning Certificate (COD) for evidencing commissioning of the entire capacity of the project	15-Sep-16	Valid	UPPTCL, UPNREDA and Dakshinanchal Vidyut Vitran Nigam Limited
7	Factory License	8-Sep-21	Valid	Labour Department, Uttar Pradesh

Source: Investment Manager

Project II: Jodhpur

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Power Evacuation Approval	8-Feb-13	Valid	Rajasthan Rajya Vidyut Prasan Nigam Limited
2	Commissioning Certificate (COD) for evidencing commissioning of the entire capacity of the project	7-Apr-13	Valid	Rajasthan Rajya Vidyut Prasan Nigam Limited
3	Fire License	22-Feb-23	Valid	District Officer-Fire & Rescue Service
4	NOC from Gram Panchayat for undertaking construction on any land falling within the jurisdiction of the gram panchayat	NA	Valid	Village Panchayat

Appendix 7.29: Globus : Approvals & Licences Summary

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Registration of the Solar Power Project	22.08.2014	Valid	Commissioner, New & Renewable Energy, GoMP
2	Consent to Establish - Air required u/s 21 of Air Act,1981 & Water required u/s 25 of Water Act,1974	31.10.2015	NA	Madhya Pradesh Pollution Control Board
3	Consent to Operate - Air required u/s 21 of Air Act,1981 & Water required u/s 25 of Water Act,1974	31.10.2015	NA	Madhya Pradesh Pollution Control Board
4	Land Allotment in Nataram, Sitamau	11.12.2014	NA	Office, Nagar & Gram Nivesh, Neemuch
5	Approval For Electrical Installations on the 20MW Solar Power Plant	25.01.2016	Valid	Chief Electrical Inspector, Government of Madhya Pradesh
6	CEIG Connectivity Permission Transformer Bay Charging	15.01.2016	Valid	Chief Electrical Inspector, Government of Madhya Pradesh
7	Commissioning Certificate for 20 MW Solar Power Project at Nataram, Tehsil Sitamau	30.01.2016	Valid	Superintending Engineer, MPPKVVCL, Mandsaur
8	Connection Agreement	14.10.2014	Valid	MPPTCL
9	Fire License	21.10.21	Valid	Fire Cell, Ujjain Division, Madhya Pradesh

Source: Investment Manager

Appendix 7.30: TL Patlasi : Approvals & Licences Summary

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Registration of the Solar Power Project Applied under the JNNSM Phase II Batch 1	30.07.2014	Valid	Office of Commissioner,New & Renewable Energy- GoMP
2	Approval of CCEA for setting up 750 MW of Grid Connected Solar PV Power Projects	3.10.2013	Valid	CCEA
3	Consent to Establish - Air required u/s 21 of Air Act,1981 & Water required u/s 25 of Water Act,1974	21.05.2015	NA	Madhya Pradesh Pollution Control Board
4	Consent to Operate - Air required u/s 21 of Air Act,1981 & Water required u/s 25 of Water Act,1974	22.10.2015	NA	Madhya Pradesh Pollution Control Board
5	Approval for Land Allotment in Patlasi Tal. Sitamau	30.08.2014	NA	Forest Officer, Mandsaur
6	NOC from Gram Panchayat for undertaking construction on any land falling within the jurisdication of the gram panchayat	02.10.14	Valid	Suryakheda Village Panchayat
7	CEIG Approval required under Electricity Authority Regulations,2010 for energization of the electrical equipment comprising the project	02.06.2015	Valid	Chief Electrical Inspector, Government of Madhya Pradesh
8	CEIG String Invertor approval	12.06.2015	Valid	Electrical Inspector, GoMP
9	Commissioning Certificate for evidencing commissioning of the entire capacity of the project	01.07.2015	Valid	Commissioner,New & Renewable Energy,GoMP
10	IEC Certificate	18.09.2014	NA	Ministry of Commerce & Industry, GOI

Source: Investment Manager

Appendix 7.31: TL Nangla : Approvals & Licences Summary

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	NOC for Construction of 66 KV Transmission Line	03.11.2014	NA	Executive Engineer,Dept. of Rural Development & Panchayats, Bathinda
2	Feasibility Clearance for Evacuation of Power from the 4MW project to the 66KV Sub Station, Nangla Jodkian	10.04.2014	Valid	Punjab State Power Corporation Ltd.
3	Commissioning Certificate for setting up Solar Power Project of capacity 4MW at village Nangla	1.04.2015	Valid	Punjab Energy Development Agency
4	Gram Panchayat Approval for Installation of the Project on the Village Land	-	Valid	Village Sarpanch , Village Nangla
5	Importer Exporter Code Certificate	21.10.2014	Valid	Ministry of Commerce & Industry, GOI
6	CEIG Safety Certificate required under Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 for energization of the electrical equipment comprising the project	13.03.2015	Valid	Chief Electrical Inspector, Government of Punjab, Patiala
7	Implementation Agreement	18.09.2013	Valid	Punjab Energy Development Agency
8	Synchronization Permission	24.03.2015	Valid	The Chief Engineer, PSPCL, Patiala
9	Fire License	02.08.2021	Valid	Punjab Fire Services, Bhatinda

Source: Investment Manager

Appendix 7.32: TL Gadna : Approvals & Licences Summary

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Periodical Inspection of Electrical Installation as per Regulation 30 of C.E.A Regulations 2010.	03.10.2018	Valid	Electrical Inspector, Electrical Inspectorate, GOR
2	Permission of Energization of Installation under Regulation 43 of the CEA Regulations, 2010	01.05.2016	NA	Electrical Inspector, Electrical Inspectorate, GOR
3	Approval for Power Evacuation Plan for 5 MW Solar PV Power Projects in Gadna, Phalodi, Jodhpur	11.06.2012	NA	Rajasthan Renewable Energy Corporation Limited
4	Transmission Agreement	09.07.2012	Valid	Rajasthan Rajya Vidyut Prasaran Nigam Limited
5	Commissioning Certificate of 5MW Solar PV Power Project under JNNSM Phase I Batch II	01.04.2013	Valid	Director, Rajasthan Renewable Energy Corporation Limited
6	Approval u/s 68 of the Electricity Act,2003 for laying overhead transmission line to evacuate power from 5MW Solar Power Project in Gadhna, Phalodi, Jodhpur	06.08.2012	Valid	Rajasthan Renewable Energy Corporation Limited
7	Fire License	13.01.22	Valid	Chief Fire Officer, Jodhpur

Source: Investment Manager

Appendix 7.33: GGEL : Approvals & Licences Summary

Sr. No	Approvals	Date of Issue	Validity (in years)	Issuing Authority
1	Certificate for use of a Boiler	17.03.2021	Valid	Rajasthan State Boiler Inspection Department
2	Consent to Operate - Air required u/s 21 of Air Act,1981	14.08.2018	Valid	Rajasthan State Pollution Control Board
3	Consent to Operate - Water required u/s 25 of Water Act,1974	02.09.2020	Valid	Rajasthan State Pollution Control Board
4	License for Storage of Liquid Nitrogen Gas in pressure vessels	23.10.2019	Valid	Ministry of Commerce & Industry , Government of India
5	Water Supply Agreement	12.08.2011	Valid	Chief Engineer, Indira Gandhi Nahar Pariyojana, GOR
6	Factory License	12.03.2018	Valid	Chief Inspector of Factories & Boilers, Rajasthan
7	Transmission Agreement	04.07.2011	Valid	Rajasthan Rajya Vidyut Prasaran Nigam Limited
8	Execution of Lease Deed of Solar Power Producers against the land allotment in Jodhpur	05.05.2011	Valid	Rajasthan Renewable Energy Corporation Limited
9	Connectivity of 132 kv Bay & Metering Equipment to interconnect the 50 MW Solar Thermal Generation Project	26.03.2013	Valid	Superintending Engineer(RDPPC) , Jodhpur Discom, Jaipur
10	Commissioning Certificate of 50 MW Solar Thermal Power Project under JNNSM Phase I Batch I	02.07.2013	Valid	Rajasthan Renewable Energy Corporation Limited
11	Certificate of Commencement of Production	19.08.2014	NA	General Manager, District Industries Centre, GOR
12	Approval u/s 68 & 164 of the Electricity Act, 2003	26.03.2012	NA	Rajasthan Rajya Vidyut Prasaran Nigam Limited
13	Periodical Inspection of Electrical Installation as per Regulation 30 of C.E.A Regulations 2010.	12.03.18	NA	Electrical Inspector, Electrical Inspectorate, GOR
14	Fire License	21.02.2022	Valid	Fire Officer, Pokhran, Rajasthan

Source: Investment Manager

Appendix 7.34: Summary of Approvals applied for, but not yet received (1/1)

Sr. No.	Entity	Approvals
1	PKTCL	No objection certificate from Director of OPS (ATS) for construction of 400 kV D/C Purulia-Ranchi Transmission Line in relation to the application made on October 15, 2016.
2	PKTCL	No objection certificate from Senior Air Traffic Controller, Airforce Station for installation of Kharagpur-Chaibasa Transmission Line in relation to the application made on February 9, 2016.
3	PKTCL	No objection certificate from Senior Air Traffic Controller, Airforce Station for construction of 400 kV Kharagpur-Chaibasa Transmission Line in relation to the application made on November 3, 2015.
4	NRSS	NOC from the Air Headquarters for contruction of URI - Wagoora Transmission line in relation to application made by NRSS on 08 January 2018
5	OGTPL	Approval pursuant to application dated 06 October 2016, for railway line crossing of the 400 kV OPGC-Jharsuguda transmission line with the non – electrified U/C railway line of IBEUL in village Negipali.
6	OGTPL	Final approval for the erection of the OPGC-Jharsuguda transmission line over the railway line crossing in between Jharsuguda & IB at KM 522/7-522/10
7	OGTPL	Final approval for erection of Jharsuguda (Sundargarh) – Raipur transmission line at Pole No. 622/17-622/19 & in between Kharsia & Jharidhi at AP 96 – AP 97
8	OGTPL	Final approval for erection of Jharsuguda (Sundargarh) – Raipur transmission line electrical track crossing at AP102 and AP103 in between Dharamjaygarh & Kharsia Railway station
9	OGTPL	Final approval for erection of the Jharsuguda (Sundargarh) – Raipur transmission line electrical track crossing at chainage 24/200 & 24/250 in between Lara & Talaipalli coal mine at AP-118 – AP 119.
10	OGTPL	Registration of office of OGPTL under the Shops and Establishments Act, 1954
11	GPTL	NOC for ground water abstraction for 400/220 KV GIS PRITHLA Substation
12	KTL	Transmission License, pending before CERC
13	KTL	Approval from GOI under section 164 of Electricity Act, 2003

Source: Investment Manager

Appendix 7.35: Summary of Approvals for which applications are yet to be made (1/1)

Sr. No.	Entity	Approvals
1	KTL	Road Crossing
2	KTL	Aviation Clearance
3	KTL	Power Line Crossing
4	KTL	Power Telecommunication Co-ordination Committee ("PTCC") Clearance

Source: Investment Manager

Ongoing Litigations

Appendix 8.1: BDTCL: Summary of Ongoing Litigations (1/6)

Sr. No	Matter	Against	Pending Before	Details of the Case	Amount Involved (INR Million)
1	RoW	Shailendra Champaksinh Gohil	High Court of Gujarat, Ahmedabad	**Background of the case:** Shailendra Champaksinh Gohil ("Petitioner") filed a special civil application against BDTCL & others ("Respondents") before the High Court of Gujarat, Ahmedabad challenging the notification issued under Section 164 of the Electricity Act issued by the Director, Ministry of Power, Government of India (the "Director") dated 24 January 2013 (the "Notification") claiming that the Notification was without jurisdiction and beyond the scope of the Director for the laying of overhead transmission lines of BDTCL. **Current status:** The matter is currently pending and will be listed in due course	Non Quantifiable
2	RoW	Pravinsinh Jaswantsinh Gohil	High Court of Gujarat, Ahmedabad	**Background of the case:** Pravinsinh Jaswantsinh Gohil ("Petitioner") filed a special civil application against BDTCL & others ("Respondents") before the High Court of Gujarat, Ahmedabad challenging the notification issued under Section 164 of the Electricity Act issued by the Director, Ministry of Power, Government of India (the "Director") dated 24 January 2013 (the "Notification") claiming that the Notification was without jurisdiction and beyond the scope of the Director for the laying of overhead transmission lines of BDTCL. **Current status:** For Final arguments, matter will be listed in due course	Non Quantifiable
3	RoW	Janaksinh Jaswantsinh Gohil	High Court of Gujarat, Ahmedabad	**Background of the case:** Janaksinh Jaswantsinh Gohil ("Petitioner") filed a special civil application against BDTCL & others ("Respondents") before the High Court of Gujarat, Ahmedabad challenging the notification issued under Section 164 of the Electricity Act issued by the Director, Ministry of Power, Government of India (the "Director") dated 24 January 2013 (the "Notification") claiming that the Notification was without jurisdiction and beyond the scope of the Director for the laying of overhead transmission lines of BDTCL. **Current status:** BDTCL submitted the reply. The matter is currently pending.	Non Quantifiable
4	RoW	Pravinsinh Jaswantsinh Gohil	High Court of Gujarat, Ahmedabad	**Background of the case:** Pravinsinh Jaswantsinh Gohil has separately filed a special civil applications against the Union of India, Ministry of Power, BDTCL and Office of the District Collector, Bharuch before the High Court of Gujarat, Ahmedabad (the "High Court") alleging that the name of their village 'Moriana' was not mentioned in the notification dated 24 January 2013 (the "Notification"). BDTCL appealed against the interim order before the High Court. The appeal was allowed and High Court directed BDTCL to pay compensation of INR 0.14 Million to the petitioner. **Current status:** The matter is currently pending.	0.14
5	RoW	Janaksinh Jaswantsinh Gohil	High Court of Gujarat, Ahmedabad	**Background of the case:** Janaksinh Jaswantsinh Gohil has separately filed a special civil applications against the Union of India, Ministry of Power, BDTCL and Office of the District Collector, Bharuch before the High Court of Gujarat, Ahmedabad (the "High Court") alleging that the name of their village 'Moriana' was not mentioned in the notification dated 24 January 2013 (the "Notification"). BDTCL appealed against the interim order before the High Court. The appeal was allowed and High Court directed BDTCL to pay compensation of INR 0.14 Million to the petitioner. **Current status:** The matter is currently pending.	0.14

Source: Investment Manager

Appendix 8.1: BDTCL: Summary of Ongoing Litigations (2/6)

Sr. No	Matter	Against	Pending Before	Details of the Case	Amount Involved (INR Million)
6	RoW	Bhikhan Govinda Sasundre & 5 others	Bombay High Court, Aurangabad	**Background of the case:** Bhikhan Govinda Sasundre and others ("Petitioners") filed a writ petition before the Bombay High Court, Aurangabad bench (the "High Court") against the State of Maharashtra, BDTCL and the District Collector, Aurangabad claiming compensation for the alleged damage caused to their field by laying high tension power transmission line. Further, the Petitioners sought directions against the District Collector and BDTCL for non-compliance with the order dated 3 September 2013. The Bombay High Court directed BDTCL to deposit INR 0.64 Million within four weeks from 18 February 2016, which was subsequently deposited **Current status:** The matter is currently pending.	Non Quantifiable
7	RoW	Pradip Ramesh Chandra Mudara	District Court, Dhule	**Background of the case:** Pradip Ramesh Chandra Mudara and others have filed a civil suit before the District Court, Dhule who has allowed the applicability of GR regarding the land compensation. **Current Status:** The matter is currently pending and next date of hearing is 21.11.2023	Non Quantifiable
8	RoW	Kusumben Arjun Mali and others	Sub divisional Magistrate (SDM), Dhule	**Background of the case:** Kusum Arjun Mali and others (through their power of attorney) have filed a civil application against BDTCL before the Sub - Divisional Magistrate, Dhule disputing the compensation paid for their land. **Current status:** Application was filed by Mr Arjun Mali to Industries, Energy and labour dept of Govt. of Maharashtra for obtaining the price of land. Govt of Maharashtra has informed the collector of Dhule to take appropriate action based on rules and present the copy of order to Govt for information. Further BDTCL has paid a crop compensation of INR 21,600 to Mr Arjun Mali for damage due to 400KV commision	8.40
9	RoW	Sharp Corporation Limited	High Court of Madhya Pradesh, Indore	**Background of the case:** Sharp Corporation Limited (the "Petitioner") filed a writ petition dated 24 March 2014 (the "Petition") before the High Court of Madhya Pradesh, Indore Bench (the "High Court") against BDTCL and others (the "Respondents") to restrain the Respondents from starting and/or continuing the construction over the Petitioner's land. **Current status:** BDTCL filed a reply to the Petition. A rejoinder has been filed by the Petitioner on 12 May 2014. The matter is currently pending.	Non Quantifiable
10	RoW	Narayan Gitaram Kharat & Others	SDM office, Kannad	**Background of the case:** These are complaints by the land owners. The said complaints have been filed by the farmers with a prayer that the MH government GR with regard to the assessment of the land compensation to be considered. We have already filed our preliminary objection on the jurisdiction issue as the collector does not have any jurisdiction to adjudicate any compensation dispute. The applicability of the said GR is also challenged before the Aurangabad HC and is ending disposal. **Current status:** The matter is currently pending.	Non Quantifiable

Source: Investment Manager

Appendix 8.1: BDTCL: Summary of Ongoing Litigations (3/6)

Sr. No	Matter	Against	Pending Before	Details of the Case	Amount Involved (INR Million)
11	RoW	Shakir Mohd. Patel & Others.	SDM office, Shillod	**Background of the case:** These are complaints by the land owners. The said complaints have been filed by the farmers with a prayer that the MH government GR with regard to the assessment of the land compensation to be considered. We have already filed our preliminary objection on the jurisdiction issue as the collector does not have any jurisdiction to adjudicate any compensation dispute. The applicability of the said GR is also challenged before the Aurangabad HC and is ending disposal. **Current status:** The matter is currently pending.	Non Quantifiable
12	RoW	Maroti Devarav Banasode & Others	SDM office, Pulambri	**Background of the case:** These are complaints by the land owners. The said complaints have been filed by the farmers with a prayer that the MH government GR with regard to the assessment of the land compensation to be considered. We have already filed our preliminary objection on the jurisdiction issue as the collector does not have any jurisdiction to adjudicate any compensation dispute. The applicability of the said GR is also challenged before the Aurangabad HC and is pending disposal. **Current status:** The matter is currently pending.	Non Quantifiable
13	RoW	Bhagawan Devman Bhilla	District Court, Dhule	**Background of the case:** Bhagawan Devman Bhilla filed a civil suit against the State of Maharashtra and BDTCL before the Joint Civil Judge (Senior Division), Dhule (the "Judge") for declaration, compensation and interim injunction in relation to a plot of land. BDTCL has filed a counter-claim and application for interim injunction. The Judge passed an order on 23 February 2016 (the "Order"), allowing the application for interim injunction of Bhagawan Devman Bhilla and partially allowing the application for interim injunction of BDTCL. BDTCL was restrained from evicting Bhagawan Devman Bhilla and Bhagawan Devman Bhilla was restrained from causing obstruction to the State of Maharashtra. Aggrieved by this Order, BDTCL filed an appeal in the court of the District Court, Dhule pleading that the order of the Judge should be stayed since it is bad in law and fact. **Current status:** The matter is currently pending.	Non Quantifiable
14	RoW	Bhagawan Devman Bhilla	District Court, Dhule	**Background of the case:** BDTCL filed this case against Bhagwan Devamn Bhil for encroachment on land owned by BDTCL. On request of authorities, this land was split into two with a passage of way given to general public to use. There were boundary walls created to safeguard the land. BDTCL wanted to create a boundary wall to unify these split parcels of land as well but court disallowed it pursuant to Interim Order dated 23-02-2016 (in petition no 86 of 2015). There were boundary walls adjacent to these split parcels of land. Bhagwan Devamm Bhil and family have encroached upon one part of the vacant land (possession of which was granted to BDTCL) and are also conducting farming there. Accordingly, BDTCL has filed a petition BDTCL filed an appeal in the court of the District Court, Dhule against the Order 174 of 2017. **Current Status:** The matter is currently pending.	Non Quantifiable

Source: Investment Manager

Appendix 8.1: BDTCL: Summary of Ongoing Litigations (4/6)

Sr. No	Matter	Against	Pending Before	Details of the Case	Amount Involved (INR Million)
15	RoW	Dnyaneshwar Kaduba Mangate	Bombay High Court, Aurangabad	**Background of the case:** BDTCL filed petition against the payment of compensation required to be paid in accordance with the order passed by the District Court, Aurangabad. the High Court instructed BDTCL to deposit INR 0.64 Million within four weeks from 18 February 2016. The said amount was deposited. **Current status:** The matter is currently pending.	Non Quantifiable
16	RoW	State of Maharashtra and others	High Court of Aurangabad	**Background of the case:** Challenging the order of the DC who has allowed the applicability of the GR regarding the land compensation. **Current status:** High Court have been very favourable towards farmers in Maharashtra and order will have implication on the pending complaints pending before DC and SDM level on similar grounds.	Non Quantifiable
17	RoW	Gorakhbhai Laljibhai Tadvi	Sr Civil Judge, Tal: Dediapada, Dist: Narmada.	**Background of the case:** Gorakhbhai Tadvi has filed a suit along with an affidavit for compensation due to damages caused by installation of tower in the land of the plaintiff and also for construction of electric line over the land of the plaintiff. Plaintiff has claimed for INR 0.8 Million as compensation however BDTCL had paid INR 0.17 Million and hence the suit is filed for the balance INR 0.63 Million. The court had issued a notice on 8 February 2019 to summon BDTCL on 15 March 2019. **Current status:** The matter is currently pending. The next date of hearing is 03.11.2023	Non Quantifiable
18	RoW	Ganesh Ramdas Kadam & Others.	SDM office, Aurangabad	**Background of the case :** These are complaints by the land owners(Ganesh Ramdas Kadam & others). The said complaints have been filed by the farmers with a prayer that the MH govt GR with regard to the assessment of the land compensation to be considered. We have already filed our preliminary objection on the jurisdiction issue as the collector does not have any jurisdiction to adjudicate any compensation dispute. **Current Status :** The applicability of the said GR is also challenged before the Aurangabad HC and is pending disposal.2	Non Quantifiable
19	RoW	Hanuman Kakasaheb Ghanwat vs BDTCL	District and Session Court, Aurangabad	**Background of the case :** This Case is related to Indian telegraph act for enhancement of compensation. **Current Status :** Matter is currently pending. The next date of hearing is 01.01.2024	1.00

Source: Investment Manager

Appendix 8.1: BDTCL: Summary of Ongoing Litigations (5/6)

Sr. No	Matter	Against	Pending Before	Details of the Case	Amount Involved (INR Million)
20	RoW	BDTCL vs Bhagwan Devamn Bhil Devman Bhilla	District And Session Court, Dhule, Dhule, Maharashtra	**Background of the case :** Case for encroachment of Government Land allotted to BDTCL for Dhule Sub-Station. Bhagawan Devman Bhilla filed a civil suit against the State of Maharashtra and BDTCL before the Joint Civil Judge (Senior Division), Dhule (the "Judge") for declaration, compensation and interim injunction in relation to a plot of land. BDTCL has filed a counter-claim and application for interim injunction. The Judge passed an order on 23 February 2016 (the "Order"), allowing the application for interim injunction of Bhagawan Devman Bhilla and partially allowing the application for interim injunction of BDTCL. As per the interim order, (a) BDTCL was restrained from evicting Bhagawan Devman Bhilla without following due procedure under law until final disposal, (b) Bhagawan Devman Bhilla was restrained from causing obstruction to the possession of BDTCL till final decision, and (c) prayer of BDTCL to construct compound wall (to join the two different parcels of land and make it one contiguous land) is rejected until final disposal of matter. Aggrieved by this Order, BDTCL filed an appeal in the court of the District Court, Dhule pleading that the interim order of the Judge should be stayed since it is bad in law and fact. The appeal against the interim order filed by BDTCL is 46 of 2016. The same was allowed, Now this Appeal has been registered. **Current Status :** Matter is currently pending. The next date of hearing is 10.11.2023	Non Quantifiable
21	Regulatory Matter	CERC and PGCIL	APTEL	**Background of the case:** PGCIL filed a tariff petition (No. 227/TT/2014) before the CERC for determination of tariff due to it for the period where BDTCL's assets were not operational (the "**Interim Period**"). Through an order dated 20 September 2017 ("**First CERC Order**"), CERC directed BDTCL to pay the transmission charges to PGCIL for the Interim Period. BDTCL subsequently filed a review petition (46/RP/2017) before CERC against the First CERC Order, which was dismissed by the CERC through an order dated 23 July 2018 ("**Second CERC Order**"). BDTCL has filed an appeal (No 272 of 2018) before APTEL against the First CERC Order and Second CERC Order. **Current Status:** This matter is currently pending.	46.00
22	Regulatory Matter	PGCIL	APTEL	**Background of the Case:** CERC Order allowed certain FM and change in law events to BDTCL as detailed above. Accordingly, PGCIL was to bear certain transmission charges. Aggrieved by this, PGCIL filed Review petition (No. 29/RP/2018) against order in 216/MP/2016 which was dismissed. PGCIL now filed appeal in APTEL. The PGCIL Appeal is against CERC Order in Petition No. 216/MP/2016. Appeal against waiver of transmission charges levied on PGCIL. (Appeal - I.A No. 1527 & 1157 of 2019 in DFR No. 2160 of 2019). **Current Status:** This matter is currently pending. The next scheduled hearing is scheduled on 20 November 2023.	130.00

Source: Investment Manager

Appendix 8.1: BDTCL: Summary of Ongoing Litigations (6/6)

Sr. No	Matter	Against	Pending Before	Details of the Case	Amount Involved (INR Million)
23	Direct Tax Matters	AO	CIT (A)	**Background of the case:** BDTCL had received assessment order for AY 2016-17 dated 25 December 2018 where the assessing officer has made disallowance under section 14A of the Income Tax Act 1961 and disallowed depreciation claimed on Capital Work in progress. BDTCL has filed an appeal with CIT (A). Also, a stay and rectification of demand has been filed for in correct addition of depreciation under MAT provision. The amount outstanding as per the screenshot provided from Income Tax website, amount of INR 25.98 Million and INR 1.19 Million. **Current Status:** The matters are currently pending. BDTCL has made a deposit of INR 0.56 Million which is 20% of the revised demand amount.	27.90
24	Indirect Tax Matters - Entry Tax Act 1976	Indirect Tax Department	High Court of Madhya Pradesh	**Background of the case:** The matter is related to demand for payment of entry tax in Fiscals 2016, 2015, 2014 and 2013, which was allegedly incurred by BDTCL during the course of its business. The aggregate amount involved in the matters is INR 165.8 Million, of which INR 58.4 Million has been paid. This demand is raised vide the Assessment order and / or confirmed vide the Additional Commissioner (Appeals)'s Order. BDTCL has preferred Writ Petitions before the Hon'ble MP High Court The writ petition has been tagged along with a similar matter of M/s NTPC (LTD.) in VATA 09/2010 and is pending for hearing before the Hon'ble High Court. **Current Status:** The matters are currently pending.	165.80
25	Indirect Tax Matters - Customs Act 1962	Indirect Tax Department	Commissioner of Customs	**Background of the case:** BDTCL cleared 6 bill of entries and claimed the benefit of concessional rate of 5% under the Project Import Regulations 1986 before registering the contract with the Customs House, thus violating the provisions of Regulation 4 of the Project Import Regulations. BDTCL had received a Show Cause dated 22 October 2019 requiring it to show cause as to why differential duty and interest should not be demanded on the goods imported and cleared for home consumption at concessional duty rate of 5% under the Project Import Regulations 1986 insofar as such goods have been cleared before registering the contracts with the Custom Houses. In this regard, a personal hearing notice was received by BDTCL directing it to appear before the Commissioner on 21 December 2018. BDTCL has sought an extension to file the reply to the Show Cause Notice. While BDTCL was following up with the customs Department for collation of documents required for filing reply to the SCN, an adjudication order dated 18 July 2019 was issued without giving BDTCL opportunity to be heard confirming the allegations raised by the SCN. Against the said order, BDTCL has filed an Appeal before the Commissioner (Appeals) on 22 October 2019. BDTCL also has to file an RTI with the Customs Dept. to obtain certain critical documents. The signed copy of the RTI has been received by ELP on 28 September 2020 and the same has been filed with Custom authorities on 30 September 2020. Department has responded to the RTI and provided the information sought. The hearing before the Commissioner (Appeals) was held on 02 March 2021, and detailed submissions were made during the hearing. **Current Status:** The matter has been remanded back for fresh consideration by Commissioner (Appeals) order date 22 March 2021.	12.79

Source: Investment Manager

Appendix 8.2: JTCL: Summary of Ongoing Litigations (1/6)

Sr. No	Matter	Against	Pending Before	Details of the Case	Amount Involved (INR Million)
1	RoW	The State of Madhya Pradesh	High Court of Madhya Pradesh, Jabalpur Bench	**Background of the case:** The District Collector, Mandala has suo moto started inquiry in the case filed by Imrat Singh and others against JTCL and has passed an order dated 03 April 2018 directing JTCL to pay a compensation amount of INR 5.95 Million to 95 land owners without considering the reply and documents submitted by JTCL. JTCL has filed an appeal before the High Court of Madhya Pradesh at Jabalpur. Partial stay order has been granted by HC Jabalpur. JTCL has submitted its final reply on 29 January 2018 in which it duly informed the district collector about the progress made in respect of tree compensation to the farmers in District- Mandala (M.P.). JTCL has informed to him that out of 95 cases 57 cases were already settled completely by making payments whereas in remaining 38 cases some were given compensation and some were pending for consideration. As per MP High Court order dated 11 June 2018, it is ordered that JTCL shall deposit 50% of the total amount and the amount shall be disbursed to the affected persons after due verification. **Current Status:** Collector's order for compensation - INR 59 lakhs. JTCL already paid around 15 lakhs as per our calculation. JTCL challenged DM Mandala order. Partial stay order has been granted by HC Jabalpur. The matter is currently not listed for hearing.	4.40
2	Regulatory	CERC and PGCIL	APTEL	**Background of the case:** PGCIL filed a Petition for determination of transmission tariff for line bays and reactors related to JTCL's JB Line and JD line under Tariff Regulations, 2014. CERC vide its Order dated May 27, 2016 disposed the Petition. In the said Order, it is held that, tariff for the period of mismatch i.e., from the COD of Assets-I (i.e. from 5.10.2014 to 1.7.2015) and Asset-II (13.11.2014 to 1.7.2015) till the execution of 765 kV S/C JB line of JTCL, shall be billed to LTTCs of TBCB licensees till the execution of transmission lines. CERC in its order dated 02.09.2022 in Tariff Petition No. 261/TT/2015 filed by PGCIL directed that - JTCL is liable to pay transmission charges from 5.10.2014 to 30.6.2015 to PGCIL for its Asset-1: 765 kV line bay and 240 MVAR Switchable Line Reactor at Jabalpur Pooling Sub-station for 765 kV S/C Jabalpur - Bina Circuit-III (IPTC). - JTCL is liable to pay transmission charges from 5.10.2014 to 30.6.2015 to PGCIL for its Asset-2: 765 kV line bay and 240 MVAR line reactor(nonswitchable) at BinaSubstation for 765 kV S/C Jabalpur-Bina Circuit-III (IPTC). Aggrieved by the order JTCL has filed an appeal with APTEL challenging the order issued by CERC. **Current Status:** The matter was last heard on 11-April-23. The Respondents have been directed to file replies within three weeks followed by rejoinder, if any, within three weeks thereafter and further directed Registry to verify whether the pleadings are complete and thereafter include this Appeal in the 'List of Finals' to be taken up from there in its turn. Next Hearing Schedule is awaited.	173.74

Source: Investment Manager

Appendix 8.2: JTCL: Summary of Ongoing Litigations (2/6)

Sr. No	Matter	Against	Pending Before	Details of the Case	Amount Involved (INR Million)
3	RoW	Jagmohan Patel	District & Sessions Court, Sagar, Madhya Pradesh	Background of the case: Jagmohan Patel (the "Applicant") filed an application against the Union of India, JTCL and others, before the District Magistrate, Sagar, Madhya Pradesh, under the Telegraph Act, 1885, alleging that he suffered damage due to the construction of high voltage transmission lines by JTCL. He claimed compensation of INR 9.28 Million. This petition for INR 9.28 million was dismissed on 10 July 2015. The District Judge, District Court, Sagar, also issued a show cause notice dated 25 August 2016, requiring the Applicant to appear before it at the designated time. JTCL has filed its reply. The Applicant has filed another petition before the District Magistrate, Sagar, Madhya Pradesh against the Union of India and others for payment of compensation amount of INR 0.69 Million for loss caused to the Applicant due to construction of high voltage transmission line by JTCL. Reply has been filled by JTCL's Lawyer & further proceedings are going on. **Current Status:** The petitioner have submitted their court fees INR 1,50,000 for compensation matter and issues have been framed. The matter is pending at hearing of interim application. The next date of hearing is 07 December 2023.	9.97
4	RoW	Bhujbal Patel and Others	District & Sessions Court, Sagar, Madhya Pradesh	**Background of the case**: Bhujbal Patel and others (the "Petitioners") filed a civil application against the Union of India before the District Magistrate, Sagar, Madhya Pradesh (the "District Magistrate"), under the Telegraph Act, 1885, alleging that they suffered damage due to the construction of the high voltage transmission line by JTCL. The Petitioners claimed compensation of INR 14.35 Million. They filed a writ petition before the High Court of Madhya Pradesh, Jabalpur Bench (the "High Court"), alleging that JTCL was using their land, without consent and thereby depriving them of their right. The High Court issued an order dated 23 June 2014 in favour of JTCL (the "Order") and directed the Petitioners to seek recourse under Section 16 of the Telegraph Act, 1885. Thereafter, the Petitioners approached the Sub - Divisional Magistrate, Sagar. The High Court stated the Petitioners suppressed material facts and dismissed the Petition. Aggrieved, the Petitioners filed a civil application against the Union of India before the District Magistrate, under the Telegraph Act, 1885, alleging that they suffered damage due to the construction of the high voltage transmission line by JTCL and claimed compensation of INR 14.35 Million. JTCL has filed its reply. The Petitioner has filed another petition before the District Magistrate against the Union of India and others for payment of compensation amount of INR 6.75 Million for loss caused to the Applicant due to construction of high voltage transmission line by JTCL. Reply has been filled by JTCL's Lawyer & further proceedings are going on. **Current Status**: The matter is being disposed off dated 28 October 2014. The petitioner have submitted their court fees i.e. INR 1,50,000 for compensation matter and issues have been framed. The matter is pending at hearing of interim application. The next date of hearing is 07 December 2023.	14.35

Source: Investment Manager

Appendix 8.2: JTCL: Summary of Ongoing Litigations (3/6)

Sr. No	Matter	Against	Pending Before	Details of the Case	Amount Involved (INR Million)
5	RoW	Sanjay Jain and Others	High Court of Madhya Pradesh, Jabalpur Bench	Background of the case: Sanjay Jain and others (the "Petitioners") filed a writ petition before the High Court of Madhya Pradesh, Jabalpur Bench (the "High Court") against the State of Madhya Pradesh and others (the "Respondents") alleging that the land is being utilized for construction of transmission line towers without acquiring the land in accordance with the law. The High Court, by its order dated 31 December 2012 ordered that the status quo with respect to the property in question should be maintained till the land is not acquired by the Respondents for the construction of towers and ordered that compensation be paid to the Petitioners. The High Court, by an order dated 8 July 2014 (the "Order") disposed off the said matter along with the direction that along with the certified copy of the Order, the Petitioner may prefer a representation raising his grievances which is to be adjudicated by a competent authority within a month. Till the decision by the said authority, the interim order shall remain in operation. JTCL got the stay vacated. In compliance to High Court order, Sanjay Jain filed its claim before District Collector (DC) Damoh. In the matter, DC Damoh vide order dated 28 August 2014 disposed the said matter. The Petitioner had now filed the present Writ Petition against the said order of the DC. In December 2014, the writ petition filed by Sanjay jain is being dismissed by Madhya Pradesh and directed JTCL to work and to grant compensation of INR 14,924. However, petitioner refused to take said compensation and filed instant petition but JTCL denies all allegations as levelled in the instant petition. **Current Status**: The matter is currently pending.	11.83
6	RoW	Lalchand Agarwal	Supreme Court of India	**Background of the case**: Lalchand Agrawal filed a writ petition against the Union of India before the High Court of Madhya Pradesh, (the "High Court") challenging the erection of a tower on his land by JTCL, alleging that his village was not mentioned in the notification dated 12 July 2013 under which JTCL was authorized to erect towers, and further alleging that no notice was provided and no compensation was paid. The High Court rejected the claim of Lalchand Agrawal via judgment dated 13 April 2015, in favour of JTCL. Aggrieved, Lalchand Agrawal has filed a civil appeal before the Supreme Court of India. JTCL has filed its reply. **Current Status**: The case is dismissed by Supreme Court of India on 9 September 2016.	Non Quantifiable

Source: Investment Manager

Appendix 8.2: JTCL: Summary of Ongoing Litigations (4/6)

Sr. No	Matter	Against	Pending Before	Details of the Case	Amount Involved (INR Million)
7	Indirect Tax Matters	Indirect Tax Department	High Court, Bilaspur, Chhattisgarh	**Background of the case:** Two indirect tax matters involving JTCL are pending before the High Court of Chhattisgarh in relation to demand for payment of entry tax, which was allegedly incurred by JTCL during the course of its business. The aggregate amount involved in the matters is INR 51.55 Million. Having heard learned counsel for the parties, the court is prima facie satisfied that the order dated 27 June 2018 rejecting to refer the questions of law raised in the reference application filed before the Tribunal suffers from irrationality and illegality. The impugned order dated 27 June 2018 passed by the Commercial Tax Tribunal, Raipur is set aside. The Tax Case is allowed. The Tribunal is directed to state the case and refer the same for consideration to the High Court. The Learned Tribunal has referred the substantial questions of law for consideration of the High Court in abeyance of the directions of the Hon'ble Court in its order dated 7th January 2019. The matter was listed for hearing on 13.12.2019 before the Bilaspur High Court wherein Senior Adv. Mr. Kavin Gulati along with ELP, travelled to represent the matter. When the matter reached for hearing, the Department Advocate requested for adjournment in the matter stating that name of the Advocate General/Standing Counsel has not been shown in the cause list. The Bench has accordingly noted submission and directed the Registry for an explanation in writing, counter signed by the supervising official that why the name has not been stated. Accordingly, the matter has been posted for hearing on 20.01.2020 and 25.02.2020 when adjournment has been sought due to unavailability of Senior Advocate, Mr. Kavin Gulati. **Current Status**: The matter was last listed for hearing on 23.03.2020, on which due to Covid-19 lockdown, matter was not heard and thereafter the matter has not been listed for hearing till date.	51.55
8	Indirect Tax Matters	Indirect Tax Department	High Court, Jabalpur, Madhya Pradesh	**Background of the case:** Four indirect tax matters involving JTCL are pending before the High Court of Madhya Pradesh in relation to demand for payment of entry tax in Fiscals 2016, 2015, 2014 and 2013, which was allegedly incurred by JTCL during the course of its business. The aggregate amount involved in the matters is INR 138.7 Million. **Current Status**: The matters are currently pending.	138.75

Source: Investment Manager

Appendix 8.2: JTCL: Summary of Ongoing Litigations (5/6)

Sr. No	Matter	Against	Pending Before	Details of the Case	Amount Involved (INR Million)
9	Indirect Tax Matters	Indirect Tax Department	Sales Tax Tribunal	**Background of the case:** Indirect tax matters involving JTCL are in relation to demand for payment of entry tax for FY 2014-15, which was allegedly incurred by JTCL during the course of its business. The aggregate amount involved in the matters is INR 40.50 Million. JTCL has preferred an appeal against the order before the Commissioner (Appeals) on 22 October 2018. The Appeal has been admitted by the Hon'ble Commissioner (Appeals) and it has been requested that the matter be kept in abeyance till the time finality is obtained in the matters for previous Assessment Years. However, the Additional Commissioner has not accepted further request for adjournment and has passed his order dated 21 November 2019 (received by JTCL on 05 December 2019) upholding the duty demand on the basis of the Tribunal order for the past period. Simultaneously a garnishee notice has also been issued by the Jurisdictional Deputy Commissioner at Bilaspur to PGCIL directing them to make payment of the balance tax amount of INR 34.42 Million. JTCL has immediately filed a letter dated 06 January 2019 to the Deputy Commissioner with a copy to the Commissioner stating that any such recovery before expiry of 30 days from the date of communication of order is completely out of place and illegal. JTCL has thereafter filed an Appeal before the Tribunal to challenge the order of the Additional Commissioner and also made pre-deposit in this regard. Pursuant to appeal filing, the PGCIL recovery notice has been withdrawn. The matter will be heard in the Tribunal in due course. **Current Status:** The matter is currently pending.	40.50
10	Indirect Tax Matters	Indirect Tax Department	High Court, Bilaspur, Chhattisgarh	**Background of the case**: Demand has been raised on account of non-payment of entry tax on entry of goods purchased into the State by the Company during setting up of transmission lines basis that Entry tax is not applicable when the goods are procurement during construction phase i.e. before commencement of business of transmission of electricity in the State. Entry tax demand has been raised vide Assessment Order dated 29 Feb 2020. JTPL has applied for the certified copy of order in the month of October, 2020 and received the same in the same month on 14 October 2020. However, as per the Department record the Assessment Order has been delivered to the Company on 03 June 2020. In this regard, JTPL has filed a writ petition against the Order before the High Court (instead of appeal before the Commissioner (Appeals) along with a prayer to stay the recovery of the entire amount. The Hon'ble Chhattisgarh High Court has disposed of the said writ petition vide its order dated 12 January 2021. In terms of the said order, JTPL has been directed to file an Appeal before the Commissioner Appeal along with requisite pre deposit. Also, it has been directed that the Commissioner (Appeals) has to keep the matter in abeyance, till the time the previous matters before the High Court on the same issue attains finality. **Current Status**: JTPL has filed the appeal before the Commissioner (Appeals) on 12.02.2021.	21.36

Source: Investment Manager

Appendix 8.2: JTCL: Summary of Ongoing Litigations (6/6)

Sr. No	Matter	Against	Pending Before	Details of the Case	Amount Involved (INR Million)
11	Direct Tax Matters	Income Tax Department	CIT (A)	**Background of the case:** Assessing Officer (AO) initiated penalty proceedings section 274 read with section 270A of the Act vide notice dated 21/01/2020 on account of under-reporting of income basis the additions under section 14A of the Act. In response to the penalty proceedings, the application under section 270AA was filed before AO wherein the JTCL vide application dated 16-Mar-22, has made request for grant of immunity (or to grant stay of demand) since all the conditions provided under section 270AA was completely satisfied by the JTCL and aforesaid penalty order is erroneous and need to be rectified. The reply of the JTCL has not been considered and penalty order has been passed under section 270A of the Act, wherein 50% penalty has been imposed on account of under reporting of income. Aggrieved with the penalty order, the JTCL has preferred an appeal before Commissioner of Income-tax Appeals. **Current Status:** The matter is currently pending.	0.23

Source: Investment Manager

Appendix 8.3: RTCL: Summary of Ongoing Litigations (1/2)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
1	IDT-Entry Tax	Commercial Tax Department (2 separate cases)	MP - High court - Jabalpur MP	Period from - FY 14-15 & FY15-16 The Commercial Tax Department, Government of Madhya Pradesh sent a notice of demand of Entry Tax on RTCL for payment of entry tax of INR 9.43 Million and penalty of INR 3.72 Million. As per the Entry Tax Act,1976 dealer is liable to pay Entry tax during the course of business. However, RTCL is in the opinion that since the business is in construction phase, entry tax is not payable. Further, RTCL filed a writ petition (3759/2017) in the Madhya Pradesh High Court in which conditional stay was granted by the court on 7 March 2017. As per the order, RTCL needs to deposit 50% of the amount. **Current Status:** Entry tax demand of INR 13.30 Million for RAPP Transmission Company Limited ('RTCL') pertains to demands under the Entry tax act read with Madhya Pradesh Vat Act, 2002 for payment of entry tax upon completion of assessment by tax authorities for the year 2014-15 & 2015-16. RTCL has appealed against the demand before High Court, Jabalpur (Madhya Pradesh). The management, including its tax advisors, believe that it's position will likely be upheld in the appellate process. No expense has been accrued in the consolidated financial statements for the tax demands raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the financial position and results of the operations of RTCL. RTCL has deposited INR 4.72 Million with the tax authorities against the said demands to comply the order of Hon'ble High court of the Madhya Pradesh. The Hon'ble High Court has accepted the plea of RTCL and has given stay on entire demand after deposit of specified amount till the disposal of case. The writ petition has been tagged along with a similar matter of M/s NTPC (LTD.) in VATA 09/2010 and is pending for hearing before the Hon'ble High Court.	13.30

Source: Investment Manager

Appendix 8.3: RTCL: Summary of Ongoing Litigations (2/2)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
2	Regulatory	Nuclear Power Corporation of India Limited	Supreme Court	**Background of the case:** RTCL had filed a petition before CERC against Power Grid Corporation of India Ltd & Others on the basis of RTCL's Transmission Service Agreement, the Revenue sharing Agreement and the order dated 15 July 2015 issued by the Ministry of Power, Government of India, "Policy for Incentivizing Early Commissioning of Transmission Projects" seeking payment of monthly Transmission charges w.e.f. 26 December 2015 onwards which is the actual date of commercial operations for RTCL. CERC passed an order dated 21 September 2016 allowing the petition partly in favour of RTCL w.e.f 1 March 2016, holding that they are entitled to transmission charges till the completion of 'RAPP end bay' for termination of RAPP-Shujalpur 400kv transmission line as developed by Nuclear Power Corporation of India Limited ("NPCIL") is ready. NPCIL filed an interim application dated 4 November 2016 praying that the impugned order be stayed, since it is in violation of the principles of natural justice. Further, the liability of payment of said transmission charges was imposed on the NPCIL on the ground that there was delay on the part of the NPCIL in commissioning. Hence, the present appeal is filed by NPCIL ("Appellant") under the provision of Sec 111 of Electricity Act, 2003 challenging the order passed by CERC. The appeal filed by the Nuclear Power Corporation Ltd. challenging the order dated 20 September 2017 passed by the CERC was dismissed as devoid of merits. The impugned CERC order dated 21 September 2016 passed by the Central Commission is upheld by APTEL order dated 18 January 2019. Thereafter, NPCIL filed appeal against APTEL Order in Supreme Court for payment of transmission charges to RTCL. **Current Status:** The computer generated hearing is scheduled has been discontinued on the matter. Matter is tentatively to be listed for hearing on 18.8.2023.	280.00

Source: Investment Manager

Appendix 8.4: PKTCL: Summary of Ongoing Litigations (1/1)

Sr. No	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
1	RoW	Nagen Bag	SDM Court Jhargam	**Background of the case:** The accused Nagen Bag has caused obstruction/nuisance when the Site Team entered the village to carry out O&M activities. The Site Team have time and again taken the assistance of local police to enter into the village. The SHO, Beliaberah registered a complaint against Nagen Bag under Section 107 CrPC for disruption of peace. PKTCL received a summons for appearance on 28.02.2023. However, Nagen Bag didn't appeared before the court A warrant has been issued against the accused Nagen Bag. **Current Status:** Lawyer and authorized representative for representation in a criminal matter to be appointed. The accused has not attaended last two hearingsThe next of hearing is not notified.	Non Quantifiable
2	Regulatory Matter	Petition Relief filed by PGCIL	APTEL	**Background of the case**: PKTCL filed a petition dated 7 July 2016 before the Central Electricity Regulatory Commission ("CERC") seeking compensatory and declaratory reliefs under the PKTCL TSA on account of force majeure and change in law including the delay in application for forest diversion proposal, shifting of termination point of Purulia substation, delay in grant of forest clearance, law and order issues, which adversely affected and subsequently, delayed the construction of two transmission lines (the “Project”). CERC by its order dated 3 April 2018 granted certain reliefs to PKTCL by extending the schedule commercial operation date of the Project, allowing the payment of transmission charges for one of the construction lines to be paid by Power Grid Corporation of India Limited (“PGCIL”) and further allowing the relief on account of change in law. PGCIL, one of the respondents in petition filed by PKTCL before CERC, filed a review dated 18 May 2018 before CERC challenging the CERC’s order dated 3 April 2018. PGCIL has challenged its liability to pay the transmission charges for one element of the project on account of non-commissioning of bays by PGCIL and against the expenditure to be incurred by PGCIL for the interim arrangement done by PKTCL for termination of other element. The review petition has been admitted by CERC on 5 July 2018. Review Petition was also dismissed. Appeal has been filed by PGCIL in APTEL in August 2019. **Current Status:** In the last hearing held on 21 October 2022, the registrar court directed that the present appeal is to be included in the “List of Finals of Court- I" . Next hearing Schedule is awaited.	50.00

Source: Investment Manager

Appendix 8.5: PTCL: Summary of Ongoing Litigations (1/1)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
1	Regulatory	CERC, PTCL and LTTCs	Supreme Court	**Background of the case:** Punjab State Power Corporation Limited ("PSPCL") had filed an appeal challenging the Order dated 4 January 2017 passed by Central Electricity Regulatory Commission ("CERC") whereby PSPCL was held liable to bear the transmission charges of the transmission assets commissioned by PTCL from Scheduled Commercial Operation Date ("SCOD") till commissioning of the downstream system. The total amount payable by PSPCL as per the Impugned Order is INR 113.6 Million and out of which amount of INR 85.22 Million is still pending. As per one of the decisions, if the downstream system of the elements in present case is not commissioned by the schedule date of commercial operation, the owner of the downstream system shall be liable to pay the transmission charges of the transmission system till the downstream system is commissioned. Accordingly, PTCL issued a "notice for regulation of power supply" dated July 6, 2017 to PSPCL for regulation of power supply unless dues are cleared by PSPCL by 13 July 2017. PSPCL filed an appeal before the Appellate Tribunal for Electricity ("Tribunal") challenging the CERC Order. The Tribunal dismissed the appeal through its order dated 27 March 2018 (the "APTEL Order"). PSPCL has subsequently filed an appeal before the Supreme Court of India against the APTEL It is a contingent asset for PTCL **Current Status:** The computer generated hearing was scheduled but was discontinued. Clubbed along with NPCIL Appeal pending before the Supreme Court. Next Date of Hearing is awaited. Matter is tentatively to be listed for hearing on 18.08.2023.	130.00

Source: Investment Manager

Appendix 8.6: NRSS: Summary of Ongoing Litigations (1/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
1	RoW	Abdul Ahad Khan	Sub Judge Pattan	**Background of the case:** Abdul Ahad Khan (Petitioner) the owner of the land and permanent resident of J&K, has filed the suit for damage for losses and damages of his said plot of land. Petitioner claimed that the opposite party has not adopted the procedure laid down under JK Land Acquisition Act and without providing any kind of compensation. The court dismissed the suit on the basis that the defendant is not a local of the state and hence cannot acquire the land. Court passed interim direction that no compensation be released in the name of defendants as of now. Written statement filed. PNC was conducted and amount was deposited. **Current Status:** An application has been filed to bring on record documents to be produced pertaining to acquisition process before the court. Application for removal of NRSS as a Defendant in the Matter has been filed. Objections stands filed and the Matter is pending for arguments. Plaintiff has deceased, the legal representatives of the Plaintiff are yet to be impleaded. Next date of hearing is 22 October 2023.	0.64
2	RoW	Girdhari Lal	Principal District Judge, Jammu	**Background of the case:** Girdhari Lal ("Plantiff") has filed suit to release the payment for foundation work done for TATA against Tower No. 224, 223 and Tower no.199 along with payment of interest @ 12% from the date it was delayed. **Current Status:** Written submission filed. Summons issued to rest of the defendants. NRSS is pursuing Tata through SCM to get this resolved.Next date of hearing is 14 October 2023.	1.15
3	RoW	Ashwani Kumar	High Court of Jammu and Kashmir	**Background of the case:** Ashwani Kumar has filed the writ petition for quashing the installation of electric towers on land at Khasra No. 328, situated at Gazipur, Tehsil R.S. Pura, Jammu and for fixing the towers no. 34 and 35 in accordance with the original alignment as transmission line has not been laid as per original route alignment. **Current Status:** Court has passed interim direction that no tower to be erected over the land of the petitioner without following the provisions of Land Acquisition Act. Reply to be filed. Accordingly the matter will be disposed off. Next date of hearing is 18 October 2023.	1.15
4	RoW	Nirmal Kumari	Principal District Judge, Jammu, Jammu and Kashmir	**Background of the case:** Nirmal Kumari - Owner is claiming that she has not been given proper land compensation amount for her land for acquisition. WS filed on the ground that plaintiff has already received crop/tree compensation and rest of the PNC amount has been deposited with the concerned authority. **Current Status:** Pending for arguments in stay application and objections in contempt application. Next date of hearing is 15 December 2023.	0.10

Source: Investment Manager

Appendix 8.6: NRSS: Summary of Ongoing Litigations (2/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
5	RoW	Bashir Ahmad Lone	Principal District Judge, Sophian	**Background of the case:** Bashir Ahmad Lone & Others (Owner) is claiming that his land is coming in between the corridor at villageward and no compensation has been given to him. Further, ground clearance of transmission line is not enough. **Current Status:** Written Statements filed. Pending for report of commissioner - PDD. No stay order as on date. The matter is currently pending. Next date of hearing is 09 November 2023.	1.00
6	RoW	Raja Banoo	Principal District Judge, Shopian, Jammu and Kashmir	**Background of the case:** Raja Banoo - Owner is claiming that his land is coming in between the corridor at village watred and no compensation has been given to him. Further, ground clearance of transmission line is not enough. Written Statement filed. Arguments in stay application. Commissioner appointed for inspection of ground clearance on spot. Commissioner report submitted and now for orders in stay application. Stay application has been disposed off on 15 May 2019 after the report of the PDD pertaining to the height of the conductor over the spot. **Current Status:** Matter dismissed in default on 04 February 2019 but plaintiff filed an application for restoration of suit. Matter was fixed for objections on restoration application. Matter is pending. Next date of hearing is 09 November 2023.	1.00
7	RoW	Mohd Taj	The Munsiff Court, Thanamandi, J&K, District Rajori	**Background of the case:** Mohd Taj - Owner is claiming that his land falls under corridor and trees over his land were earmarked and he was promised that compensation against the same will be given to him but no compensation has been given. Damage was done to his land otherwise also and no compensation has been given to him. WS filed. No stay order as on date. Tree compensation, if pending, at actual might be ordered to be given. Tree compensation can cost upto INR 0.3 Million approx. **Current Status:** Matter pending. Arguments on stay application. Filed application under order VII rule 11(d) for dismissal of plaint, pending for objections from other side. Next date of hearing is not yet notified.	0.30
8	RoW	Abdul Razzak Bhat	Principal District Judge, Srinagar	**Background of the case:** Abdul Razzak Bhat - Owner has filed suit for recovery. Owner is claiming that his land was acquired but full land compensation has not been made to him. Further crop compensation has also not been paid properly. WS filed on the ground that land compensation has been deposited with the govt authority and further the same is to be released by that concerned authority and plaintiff has already received 80% of land compensation and crop compensation. **Current Status:** Statement of parties awaited. Matter is pending. Next date of hearing is 11 November 2023.	0.30

Source: Investment Manager

Appendix 8.6: NRSS: Summary of Ongoing Litigations (3/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
9	RoW	Raja Muzaffar Bhat	Jammu & Kashmir Human Rights Commission, Srinagar	**Background of the case:** The complainant (Raja Muzaffar Bhat) has alleged that 40,000 forest tress and other fruit and non fruit bearing trees have been cut in last two years. People have been put to several health hazards. People living near to line have not been compensated adequately and have been put to risk of several health issues. He has also given one list of people who have not been compensated properly. In his prayer, he is asking for status report from different departments, especially, forest dept and why FAC is giving directions for cutting of trees every year. People nearer to line must be compensated adequately rehabilitated at some other places. Reply has been filed. **Current Status:** The matter is currently pending as Jammu and Kashmir State Human Rights Commission, Srinagar, has been dissolved due to abrogation of article 370. Thus the matter will be listed post re constitution of the commission.	0.30
10	RoW	Nazarat Khan	Additional Special Mobile Magistrate, Thannamandi. Jammu and Kashmire , District Rajouri	**Background of the case:** Nazarat Khan ("Plaintiff") has filed a suit for mandatory injunction commanding NRSS to restore the original position of the residential house in actual physical possession of the plaintiff, constructed on the land owned by the plaintiff which was disturbed by the installation of the transmission lines. Alternately, NRSS can adjust the claim of the plaintiff in respect of the residential house and pay for the compensation and damages to the plaintiff for the loss caused to the plaintiff by the act of the defendant. Plaintiff has not been given any compensation. He is claiming that he has also filed an application before concerned SDM also. Appearance caused on last date. To file reply. No interim relief granted. **Current Status:** Reply to be filled. The matter is still pending. Next date of hearing is not notified.	Non Quantifiable
11	RoW	Munshi Khan	High Court Jammu	**Background of the case:** Munshi Khan ("Plantiff") has filed a writ petition claiming that he is the owner of the house where NRSS is constructing the transmission lines. The trees those existed on the spot were cut and removed and a negotiation was arrived between the petitioner and NRSS for payment of INR 0.2 Million as compensation. However, the same was not disbursed to the petitioner. **Current Status:** The matter is still pending. Next date of hearing is 06 November 2023.	0.20
12	RoW	Shakeel Ahmad Bhat	Principal District Judge, Budgam	**Background of the case:-** This pertains to land and tree compensation. Shakeel Ahmed Bhat has filed a suit before the DJ, Budgam against the State of JK, DC Budgam, Tehsildar Khansahib, and NRSS (Def 4 5 6) seeking a grant of a decree of declaration that he is entitled to compensation with consequential relief of perpetual/mandatory injunction directing the Defendants to make payment of compensation. He claims that the construction of TL in the suit property (orchard) has rendered it useless, and he has lost significant income because of the same. Plaintiff claims that they asked the def. to initiate land acquisition proceedings, but they have not done the same, thereby denying compensation to the plaintiff. Prayer - declare that plaintiff is entitled to compensation for his land; and his loss of income due to usufructs from the land. We have been informed that land acquisition proceedings were initiated and 13 Marlas 31 sq. ft. of land was acquired from the family including Shakeel Ahmad, the plaintiff herein. Land Compensation has been duly paid per the documents attached (check for sale deed). It appears that a similar case was earlier instituted by another family member, which was subsequently withdrawn in terms of the undertaking given by the plaintiff and his family members (check the earlier case, the order disposing of it in view of the settlement). Additionally, crop compensation for the area where stringing has been done has also been paid. Another compensation for ROW is pending, for which he has already approached the Sarpanch Committee. Compensation for ROW has been offered in installments. He is unwilling to accept the compensation amount of 2 lacs in installments and wants it in one go. **Current Status:-** Interim application was filed by the Plaintiff, but no interim relief has been granted by the Court. Next date of hearing is not 08 November 2023.	Non Quantifiable

Source: Investment Manager

Appendix 8.6: NRSS: Summary of Ongoing Litigations (4/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
13	RoW	Dharam Paul	Sub-Divisional Magistrate, Vijaypur	**Background of the case:-** During the routine patrolling activity of the SA TL, it has been noticed that an unauthorized construction activity, namely construction of a house, is being carried out near Tower Location 19/0, adjacent to Tower No. 51 of the SA-TL near Village Chak Bana, Tehsil Ramgargh, District Sambaa. The said unauthorized construction activity is being carried on by Mr. Dharam Paul. In this regard, NRSS has requested the intervention of the SDM, Vijaypur by way of a letter dated 14.7.21. Further, NRSS has issued a legal notice dated 16.8.21 to Mr. Dharam Paul, calling upon him to stop the construction activity. **Current Status:-** Interim Injunction Order granted by SDM, Vijaypur directing Dharam Paul to not undertake any construction work until disposal of the SDM Application. Matter is reserved for order.	Non Quantifiable
14	RoW	Mohammad Akram Lone	High Court of J&K, Srinagar	**Background of the case:-** The landowner are claiming land and tree including the land of the Muqboosq Ahil Islam Kachwari and accordingly assess and make payment to the petitioner's in accordance with provisions of applicable laws and rules as their land has become useless. **Current Status:-** Pending for Appearance and to file WS on 11-06-2021. Next date of hearing is 18 November 2023.	Non Quantifiable
15	RoW	Naresh Sharad	High Court of Punjab and Haryana, Chandigarh	**Background of the case:-** Writ Petition filed for payment of damages caused to due setting up of the transmission project. As confirmed by the AM Team, the transmission line belongs to NRSS. (However, NRSS has not been made a party to the case.) The Adv. is observing the case. **Current Status:-** Next date of hearing is 23 November 2023.	Non Quantifiable
16	RoW	Md. Ramzan Wami	Court of Munsiff, Tangmarg	**Background of the case:-** Suit for perpetual and mandatory injunction filed by landowner for stay on demolition of his dwelling house. **Current Status:-** By order dated 14 March 2022, the Court of Munsiff, Tangmarg directed to maintain status quo and required the Respondent to file the WS. On 4 April 2022, the Adv. appeared on behalf of NRSS and sought time to file the Vakalatnama. Vakalatnama filed on 18 April 22. Next date of hearing is 13 November 2023.	Non Quantifiable
17	RoW	Union of India & Border Roads Organization	High Court of Jammu and Kashmir	**Background of the case:-** Writ Petition filed for stay on the road construction/widening project by Border Road Organization (BRO) from Buflihaz to Rajouri. The unauthorized construction/widening by BRO adversely impacted the transmission line due to change in the topography of the area and caused immense damage to the tower at Location 286 of the transmission line. Stay granted by Order dated 27.05.2022. On routine patrolling undertaken by NRSS officials, it was observed that BRO resumed its construction activities in violation of the stay order. Owing to which NRSS has now filed this Contempt Petition against BRO. **Current Status:-** the Court granted the respondent four weeks time to file statement of facts/compliance report. Next date of hearing is 08 December 2023.	Non Quantifiable

Source: Investment Manager

Appendix 8.6: NRSS: Summary of Ongoing Litigations (5/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
18	RoW	Mohd. Ramzan Kamber	High Court of Jammu and Kashmir at Srinagar	**Background of the case:-** Writ Petition in relation to land and tree compensation has been filed by the Petitioners. They allege in the suit that the laying of the transmission line has made their land useless. **Current status:-** Summons received. Copy of the Petition pending to be shared by the Plaintiffs. Appearance to be caused and Written Statement to be filed. Next date of hearing is 20 November 2023.	Non Quantifiable
19	RoW	Mushtaq Amad Dar	Principal District Judge, Budgam	**Background of the case:-** Mushtaq Ahmad Dar & Others are alleging that the due procedure for acquiring the land was not followed while setting up tower and corridor on their land. Further, alleging that appropriate compensation is also not paid. **Current status:-** Summons received. Copy of the Plaint received. Appearance caused on 15 July 2022. Next date of hearing is not notified.	-
20	RoW	Ghulam Mohammad Bhatt	The Munsiff Court, Tangmarg J&K, District Baramulla	**Background of the case:-** Ghulam Mohammad Bhatt vide the Suit prays for a grant of decree for mandatory injunction and prays that the Court direct payment of compensation for his land ROW of Samba-Amargarh TL. **Current status:-** For Appearance and to file WS. Next date of hearing is not notified.	Non Quantifiable
21	RoW	Mohammad Sultan Sheikh	Principal District Judge, Budgam	**Background of the case:-** Mushtaq Ahmed Khanday & others filed a suit for decree for declaration and mandatory injunction before the PDJ, Budgam. They allege in the suit that the laying of the transmission line has caused deterioration of land and damage of crops. Further contending that they have not been paid due compensation for crops. They pray in their suit for a declaratory decree declaring that they are entitled for compensation, mandatory injunction directing NRSS to pay compensation and any other decree deemed fit by the Court. **Current status:-** Written Statement filed. Next date of hearing is not notified.	Non Quantifiable
22	RoW	Shri Bhagwan	High Court of Jammu and Kashmir	**Background of the case:-** The landowner had filed a Petition before the Additional District Judge, Charkhi Dadri, contending that NRSS initiated the construction activity of laying down a 400 kV transmission line over his agricultural land (Killa No.29). He contended that he did not receive any compensation till date and sought compensation of Rs. 1 Lakh towards damage to crops, physical and mental agony and danger to human and cattle life in the future. Misrepresentation was made before the District Court stating that the Parties have reached a settlement and that NRSS agreed to pay the landowner an amount as compensation. **Current Status:-** The Petition was thereby disposed off on 21.12.2022 against NRSS and hence the present appeal. Next date of hearing is 30 January 2024.	Non Quantifiable

Source: Investment Manager

Appendix 8.6: NRSS: Summary of Ongoing Litigations (6/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
23	RoW	Zeeshan Fida	High Court of Jammu and Kashmir	**Background of the case:-** Pursuant to an application filed under Section 156(3) of CrPC, titled Mohd. Kabir Vs Tata Starlight Company India Private Limited, the Munsiff Court Thanamandi passed an Order dated 10.12.2022 directing that an FIR be registered and investigations be carried out.In terms of the aforementioned Order, SHO, Thanamandi Police Station registered an FIR ON 14.12.2022 for commission of offences under Section 336 and 337 of IPC. The SHO is seeking to implicate and file a charge sheet in the said FIR against the Petitioner. The Petitioner vide the present petition seeks to challenge the legality and validity of the FIR. The FIR is challenged on the following grounds: 1. Petition was not named as an accused in the FIR and has no concern with the company named in the FIR. 2. NRSS has security systems in place to avoid mishaps. No incidents of fault or tripping was reported in the data base between September 2022 to December 2022. No investigation was undertaken by the SHO in this regard. 3. No determination of liability has been carried by the SHO. 4. No investigation has been carried out to rule out the possibility of electrocution due to the fault of the transmission line of PDD running adjacent to NRSS's transmission line. **Current Status:-** Next date of hearing is 04 November 2023.	Non Quantifiable
24	Direct Tax Matters	AO	CIT(A)	**Background of the case:** Disallowance u/s 14A on MF dividend income by applying new and old Rule 8D for FY2016-17. The AO has made an addition of Rs. 38.1 lakh fir FY17-18 under section 14A read with Rule 8D under normal provisions as well as under MAT provisions. The AO has not allowed deduction under section 80IA on such addition under normal provisions. Also, demand of Rs. 7.95 lakh is arising pursuant to addition under MAT. **Current Status:** NRSS has filed an appeal before the CIT(A) and a request for stay of demand.	0.80
25	Regulatory	CERC, RECTCPL, PGCIL and other LTTCs of the project	APTEL	**Background of the case:-** CERC vide order dated 11.07.2022 had disposed off petition no. 49/MP/2021 of NRSS, thereby disallowing INR 1,204.30 million of CIL claim out of the total CIL Claim amount of INR 1253.8 million. In addition, CERC also identified that the CODs of all the elements were not in line with the provisions of commissioning of TSA. CIL events claimed are as under: - Unforeseen requirement of forest clearance - INR 38.5 million. - Unforeseen higher ROW compensation due change in Land Compensation Policy - INR 757.9 million (against earlier claim of INR 663.6 million before CERC) - Unforeseen higher ROW compensation towards apple orchid & walnut trees - INR 138.3 million - Unforeseen additional expenditure towards use of helicrane - INR 363.8 million Aggrieved by the same, NRSS has filed an appeal before APTEL claiming the CIL amount of INR 1,298.6 million as well as seeking direction from APTEL to re-consider the disallowed CODs of Transmission Line elements under NRSS Project:, impact on tariff INR 34.6 million **Current Status:-** Matter for hearing on IA Nos. 2085 & 2189 of 2022 (for amendment to the Memo of Parties) was dismissed as not pressed. IA NO 2189 OF 2022 (Application for amendment to memo of parties) allowed and appellant was directed to carry out necessary amendments in the memo of parties within two weeks . IA NO 1407 OF 2022 (for interim relief) dismissed as infructuous. Further, w.r.t. APPEAL NO. 389 OF 2022, the court directed to include the appeal in the list of finals once registry verify that pleadings are completed. Next date of hearing is not notified.	1,298.60
26	Regulatory	NRPC	CERC	**Background:-** NRSS has filed this petition seeking directions to NRPC to certify the availability for the months of January 2022 and February 2022 by excluding the outage of transmission line from 20 January 2022 and 08 February 2022 from the total time of operation of Transmission Line for the respective months. Earlier NRPC had disallowed the outage period for modifying the 400 kV D/C Sambha - Amargarh Transmission Line under the project for above period. The outage was taken to remove Loc. No. 286 of the Transmission Line which got impacted due to uniformed construction work of road expansion carried out by BRO. NRSS has filed this petition in accordance to provisions provided in Appendix II - Clause 5 (i) of CERC Tariff Regulation 2019. **Current Status:-** The Commission acceded request of BRO of one week time to file reply in the matter. The Commission directed NRPC to submit reasons for not considering the outage period from 20.1.2022 to 8.2.2022 in respect of 400 kV D/C Sambha-Amargarh transmission line under force majeure events, for calculating the availability factor. The Commission also directed the Respondents to file their reply on affidavit with an advance copy to the Petitioner by 17 April 2023 and the Petitioner to file its rejoinder, if any. Next hearing shall be informed in due course of time.	200.00

Source: Investment Manager

Appendix 8.7: OGPTL: Summary of Ongoing Litigations (1/3)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
1	RoW: Corridor Issue	Jatan Singh	Malkharoda Civil Court, Bilaspur	**Background of the case:** Jatan Singh has a corridor issue between loc.92/14 and loc.92/15. The petitioner has asked for divergence of line. The petitioner has sought an injunction restraining from laying the transmission wire and tower. **Current Status:** OGPTL has filed written statement and offered to pay compensation to the Petitioner. The matter is currently pending and was to be listed in due course post pandemic and next day of hearing is unlisted.	Non Quantifiable (No interim relif granted)
2	RoW: Restraining erection of tower	Raju Singh	High Court of Chhattisgarh at Bilaspur	**Background of the case:** Raju Singh (Petitioner) the owner of the land has filed the writ petition to restrain the respondent to not install/ place electric tower over the fly ace brick factory of the petitioner. Petitioner states that respondent without acquisition of land, without issuance of notice, have placed tower over the land where bricks industry is being run by the industry. The Petitioner has sought a direction from the High Court for the installation of the electricity tower be stopped. **Current Status:** The reply is filed. However the hearing date is yet to be scheduled. The matter is pending and was to be listed in due course post pandemic and next day of hearing is unlisted.	7.17
3	RoW: Installation of Transmission lines	Narayan Pr. Dash & Others	High Court of Orissa at Cuttack	**Background of the case:** Narayan Prasad Das and 2 others (Petitioners) have filed an application under Articles 226 and 227 of Constitution of India, 1950 challenging the installation of Electric Transmission of 400 KV over the ancestral land of the petitioners without issuing any prior notice to them. It was directed that opposite party shall maintain status quo with respect to the suit land till next date. The Opposite Party also filed petition for lifting of the status quo order otherwise they will incur huge loss. Further, petitioner is only entitled to receive compensation against damages in accordance with Sec. 10 of Indian Telegraph Act, 1885. **Current Status:** Status quo passed vide order dated 9-08-2017 in Msc Case No 14329 which stands disposed off. WPC no. 14866 of 2017 vacated is pending. Awaiting for final hearing, date of hearing yet to confirmed as High Court was on strike. The matter is currently pending and was to be listed in due course post pandemic and next day of hearing is unlisted.	Non Quantifiable (No interim relif granted)

Source: Investment Manager

Appendix 8.7: OGPTL: Summary of Ongoing Litigations (2/3)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
4	RoW: Removal of Illegal / Unauthorized construction	APL Apollo Buliding Private Limited	SDM Court, Simga, Chattisgarh	**Background of the Case:** M/s APL Apollo Building Pvt Limited started construction of a wall under and near OGPTL's Transmission Line and Towers in the Right Of Way (corridor) of Jharsuguda (Sundargarh) – Raipur pool 765 KV D/C line. This construction could prove to be extremely dangerous and would hinder in the maintenance and servicing of the line. Therefore, an application to the SDM, Simga under S. 133, CrPC and S. 68(5) EA, 2003 for an injunction seeking the removal and permanent stoppage of such construction work of a compound wall by M/s APL Apollo Building Pvt Limited, which is in progress in the line ROW (corridor) of Jharsuguda (Sundargarh) – Raipur pool 765 KV D/C line of Odisha Generation Phase II Transmission Limited. If the construction of the wall is allowed to be finished, such wall will prove dangerous and may very well be responsible for any accident and may lead to loss of nature, property and life. Furthermore, this wall is and will be a hindrance for maintenance and repair of the towers and lines. Hence this application. Order dated 17.02.2021 has been passed by the SDM ordering Apollo to stop construction and remove the existing construction. Compliance report to be submitted on 03.03.2021. On 06.03.2021, Apollo asked for time to remove construction. Time granted by SDM. Next date set for 12.03.2021, by then, compliance of order should be done. But Apollo failed to comply, hence submission made on 12.03.2021 by OGPTL. On 21.6.2021, the SDM issued instructions for Joint Survey. The Joint Survey was held on 2.7.2021 in the presence of a representative from Apollo. However, Apollo's representative refused to sign the Panchanama. The Patwari to submit the official Panchanama to the SDM - Awaiting Patwari's submission (as on 14.7.2021). Panchanama submitted by the Patwari to SDM. The Respondent to make submission on the Panchanama. But in September 2021, the SDM has retired. New SDM re-visiting the files and has sought clarifications. AM Team along with Adv. to visit SDM on 7.11.22. The last date of hearing was 16 October 2023. **Current Status:** Matter is pending. On 10.2.2022 arguments have been made by Advocate Kalia and Matter is reserved for orders. OGPTL has filed an application before the Collector regarding delay in proceedings. The next date of hearing is 10 Novemebr 2023.	Non Quantifiable

Source: Investment Manager

Appendix 8.7: OGPTL: Summary of Ongoing Litigations (3/3)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
5	RoW: Compensation Enhancement	Ramesh Kumar Soni	High Court of Chhattisgarh	**Background of the case:** The land owner issued a demand notice dated 10.1.2023 to OGPTL stating that an amount of Rs. 3,27,412 was computed as compensation for trees and that OGPTL has paid an amount of Rs. 2,57,367 as compensation. Vide the demand notice, Ramesh Kumar Soni demanded that an arrears of Rs. 70,045 be paid in furtherance to the computed compensation. Petitioner in this Writ Petition seeks the Hon'ble High Court's direction to calculate the compensation amount as per the new rate list. The land owner issued a demand notice dated 01.11.2023 to OGPTL stating that an amount of Rs. 3,27,412 was computed as compensation for trees and that OGPTL has paid an amount of Rs. 2,57,367 as compensation. Petitioner in this Writ Petition seeks the Hon'ble High Court's direction to calculate the compensation amount as per the new rate list. Hearings were held on 15.02.2023, 02.03.2023 and 06.09.2023. **Current Status:** The next date of hearing is 04.12.2023.	0.07(Amount of INR 2.57 lakh is already deposited out of total amount involved of INR 3.27 lakh)
6	RoW: Payment of Compensation	Jeevan Das Jogi & Others	Sub-Divisional Officer (Revenue), Simga, Bhatapara, Balodabazar	**Background of the case:** Applicant No. 1 (Jeevan Das) is the owner of land bearing Khasra No. 7/03 and Applicant No. 2 (Dev Charan) is the owner of land bearing Khasra No. 34/4, situated at village Jaroud, Simga, District- Balodabazar-Bhatapara. The Applicants contend that they were not provided any compensation after installation of towers on their lands. Writ Petition 721/2018 was filed before the High Court which was dismissed directing the Applicants to file an application before the appropriate authority. Therafter, the Applicants filed Revenue Case No. Ba/121/2017-2018 (present Application) for grant of compensation before Collector, Bhatapara-Balodabazar, who transferred the same before Sub-Divisional Magistrate. The last date of hearing was 11 August 2023. **Current Status:** The case is listed to be heard on 20th April 2023. The next date of hearing is 10 November 2023.	Non Quantifiable
7	Regulatory: Payment of transmission charges	OPGC	APTEL	**Background of the case:** Odisha Power Generation Corporation ("OPGC") filed an appeal against the CERC order for waiver of liability of payment of transmission charges due to delay in commissioning of its assets. Case no. 230/2019 **Current Status:** The matter was last held on 28 July 2023. In IA No 1100 of 2021, the 2nd Respondnet sought permission to withdraw the IA with liberty to file separate IA seeking impleadment. Liberty was granted by APTEL and accoridngly, IA was dismissed as withdrawn. In IA No 771 of 2019, the APTEL observed that 2nd Respondent would not encash the bank guarantee during the pendency of the appellate proceedings and further directed to ensure that bank guarantee furnished by them is kept alive during pendency of appeal and accordingly, with this the APTEL closed the IA. In IA No 152 of 2021, the APTEL observe that since the 3rd Respondnet did not wish to file any reply, the present IA seeking condonation of delay in filling reply by R-3 is dismissed as infractuous. In A.NO 230 of 2019, Aptel directed to re-include the matter in the list of finals and to be taken up from there, in its turn. Next Hearing Schedule is awaited.	Non Quantifiable
8	Regulatory: LD Waiver, Tariff Increase	LTTCs	CERC	Background of the case: CERC vide order dated 28.08.2022 in petition no. 182/MP/2020 (Petition filed for Force Majeure & Change in Law filed in January 2020) disposed off the matter. All the prayers of OGPTL were rejected except the prayer for allowing CIL towards additional Land Compensation paid post adoption of MOP guidelines by Chattisgarh to the tune of Rs. 20.45 Crs. **Current Status:** During last hearing on 29.08.2023, in IA No 1354 of 2023, the Court disposed of this IA and observed that despite repeated reminders of the need to file pleadings within the time sought for by the Counsel themselves, applications are still being filed seeking further extension of time for completing pleadings due to which the appeal are not being disposed of within 180 days and accordingly, it directed Resp-3& 4 an opportunity of the Appeal being heard on its merits upon paying cost of Rs, 25,000 to CTU within 3 weeks and files proof of payment in the Registry within 1 week thereafter. In A.No 390 OF 2023, Learned Counsel for Appellant submits that that they do not wish to file any rejoinder to the reply filed by R-9. Court directed registry to verify the pleadings and if the pleadings are complete, let this appeal be included in the 'List of Finals' to be taken up from there, in its turn. Next hearing schedule is awaited.	Non Quantifiable

Source: Investment Manager

Appendix 8.8: ENICL: Summary of Ongoing Litigations (1/3)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
1	RoW - Dishonour of cheques	M/s Akshya Urja Pvt Ltd	Chief Metropolitan Magistrate, Esplanade Court, Mumbai, Mumbai CMM Court, Maharashtra	**Background Status:** ENICL has filed a complaint against M/s Akshya Urja Pvt Ltd and its directors to recover an amount of Rs 1,08,30,189/- under the service contract between the parties. The said contractor failed to perform as per the terms of the contract and was not able to return the advances given and cheques given were also dishonoured and complaint u/s 138 of the negotiable instrument act was filed before Mumbai Court. Matter is at admission stage. **Current Status:** Next date of hearing is on 12.01.2024.	10.80
2	Row - Kotwali P.S. Case No.489/2014, State Of West Bengal Vs Sukumar Roy G.R.Case No.2708 of 2014 (now renumbered as Special Case No. 1	State Of West Bengal	Ld. District Judge at Jalpaiguri	**Background of the case:** State of West Bengal v Sukumar Roy: The case is filed against the employees of ENICL for engaging in corruption. Hence, ENICL is not a party in this matter. The Case no. 129/14 u/s 8 and 9 of Prevention of Corruption Act and u/s 109,120B,419 of Indian Penal Code has been filed against Mr. Sukumar Roy, Mr. Raghuram, Mr. Tapan Thakur and Mr. Shyam Kumar Singh. **Current Status:** The Matter is still pending and next hearing date is 16 December 2023.	Non Quantifiable
3	Regulatory Matters against CERC, PGCIL and LTTCs	CERC, PGCIL and LTTCs	APTEL	**Background of the case:** ENICL filed an appeal against CERC for its order dated 09.10.2018 in Petition No. 100/TT/2017 related to determination of Transmission Tariff for 02 nos 400 kV line bays along with 02 nos 80 MVAR Switchable Line Reactors at 400 kV Siliguri S/S and 02 nos 400 kV line bays (for 400 kV D/C Siliguri-Bongaigaon TL) at Bongaigaon S/S. In the said Order, CERC held that IDC and IEDC for the these Assets from respective CODs, i.e. 1.4.2013 and 1.6.2013, to 14.11.2014 shall be borne by ENICL. Aggrieved by Order of CERC, ENICL filed an appeal before APTEL for waiver of transmission charges payable to PGCIL. **Current Status:** The matter is currently at the stage of hearing. The appeal is to be included in the "List of Finals of Court - I" . Next hearing schedule is awaited.	5.20

Source: Investment Manager

Appendix 8.8: ENICL: Summary of Ongoing Litigations (2/3)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
4	Indirect Tax	Indirect Tax Department	Commissioner	**Background of the case**: The Company has received the 2 notice for assessment in the month of Dec 2020 and submissions along with the requisite details and documents has been made to the officer in the month of Dec-2020. The officer has passed assessment order dated 31.12.2020 received by the company in the month of Aug-2021, thereby imposing penalty on account of non-filing/late filing of Quarterly returns, Annual return and Audit report. **Current Status:** Officer issued demand note dated 08.08.2021, received by the company in the month of Aug-21 The company filed the revision petition on 5-11-2021.	0.19
5	Indirect Tax	Indirect Tax Department	Commissioner	**Background of the case**: The officer has passed 3 assessment orders dated 31.03.2021 received by the company in the month of Aug-2021, thereby imposing penalty on account of non-filing/late filing of Quarterly returns, Annual return and Audit report **Current Status:** Officer issued demand notes dated 08.08.2021, received by the company in the month of Aug-21 The company filed the revision petition on 5-11-2021.	0.65

Source: Investment Manager

Appendix 8.8: ENICL: Summary of Ongoing Litigations (3/3)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
6	Indirect Tax	Indirect Tax Department	Commissioner	Background of the case: The Company has received the notice for assessment in the month of Dec 2020 and submissions along with the requisite details and documents has been made to the officer in the month of Dec-2020. The officer has passed assessment order dated 31.12.2020 received by the company in the month of Aug-2021, thereby imposing penalty on account of non-filing/late filing of Quarterly returns, Annual return and Audit report and Tax & Interest for non-submission of F-Forms from ENICL Assam. **Current Status:** Officer issued demand note dated 08.08.2021, received by the company in the month of Aug-21 The company filed the revision petition on 5-11-2021.	0.19
7	Indirect Tax	Indirect Tax Department	Commissioner	Background of the case: The officer has passed 3 assessment orders dated 31.07.2021 received by the company in the month of Aug-2021, thereby imposing penalty on account of non-filing/late filing of Quarterly returns, Annual return and Audit report **Current Status:** Officer issued demand notes dated 18.08.2021, received by the company in the month of Aug-21 The company filed the revision petition on 5-11-2021.	0.35
8	Indirect Tax	Indirect Tax Department	Commissioner	Background of the case: The officer has passed 3 assessment orders dated 31.07.2021 received by the company in the month of Aug-2021, thereby imposing penalty on account of non-filing/late filing of Quarterly returns, Annual return and Audit report **Current Status:** Officer issued demand notes dated 08.08.2021, received by the company in the month of Aug-21 The company filed the revision petition on 5-11-2021.	0.17

Source: Investment Manager

Appendix 8.9: GPTL: Summary of Ongoing Litigations (1/5)

Sr. No	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
1	RoW	Raghuveer Singh	ACJ(SD), Civil Judge Senior Division Aligarh	**Background of the case:** Raghuvir Singh filed a suit along with an affidavit on 29/05/2018 against Chief Manager of GPTL and Chair Person Central Electricity Authority for permanent prohibitory injunction of installation of tower in the land of the plaintiff and also for construction of electric line over and under the land of the plaintiff. The plaintiff had also filed an application for grant of temporary injunction till the disposal of the suit for prohibitory injunction. The application for grant of temporary injunction was dismissed by the court on 18/08/2018 against which the plaintiff has filed a miscellaneous civil appeal no. 80/2018 of which final adjudication is pending before Hon'ble District Judge, Aligarh. Plaintiff has also filed an amendment dated 31/01/2019 claiming that the GPTL has installed and erected the tower and transmission line over the land forcibly and illegally and seeking a mandatory injunction to remove the tower and transmission line installed. However, GPTL in its Additional Written Statement claimed that there was no stay granted by the Appellate Court and during the pendency of the appeal it was within its lawful right to erect the tower and transmission line. Also that the plaintiff is not entitled to a decree for mandatory injunction. The Company also prayed that the removal of tower and transmission line will lead to disruption of power to the beneficiaries. In reply to this statement, the plaintiff has filed additional rejoinder affidavit claiming that the claims made by GPTL in the Additional Written Statement are false. The suit has been filed for INR 1 million and also an additional amount of INR 25,000 per month for loss of business and occupation for a year. RoW- demanding compensation. Plaintiff being co-owner (with Ram Singh, also defendant no. II) and in joint possession of the land (0.384 hectare out of Khasra No. 7 K, Min. situated at village Kamalpur, Pargana - Tappal, Tehsil - Khair, District Aligarh) has filed the suit for permanent prohibitory injunction and an application under Order 39 rule 1 & 2 read with Sec. 151 of CPC for temporary injunction. **Current Status:** The matter is currently pending.The reply is filed and is at disposal of applications stage.The next hearing date will be 23.11.2023.	1.60
2	RoW	Ramesh Devi	Additional Civil Judge (Senior Division) Kanina	**Background of the case:** Ramesh Devi (the plaintiff) claimed that the Company has no right to construct transmission line crossing over the plot of plaintiff and laying of such line will endanger the life and goods of plaintiff and her animals. The Company claimed that at the time of survey of land there was no construction of any property. It was observed by the Judge that the Company has been given authorization by the Power Ministry of the Government of India and also consented that at the time of survey no construction had happened at the affected land. Judge also stated that there is no need for land owner's approval to lay overhead power line. However, it clarified that the only right in the hands of the owner is to claim compensation for damages, if any. Thus the application filed by the plaintiff has been dismissed. **Current Status:** The matter is currently pending and the next date of hearing will be 20.12.2023	Non Quantifiable
3	RoW	VBY Engineering Pvt Ltd	P&H High court Chandigarh	**Background of the case:** VBY Engineering Pvt Ltd filed an appeal for line shift over his proposed factory. There was an appeal against the order dated 03.10.2018 dismissing the injunction application filed by VBY before CJ(Junior Div.) Palwal. Against this the plaintiff filed a Civil Miscellaneous Appeal. This appeal was dismissed vide Order dated 18.10.2018. This Court also vide its Order dated 12.11.2018, in the matter of CR 7328/18 clarified that no case was made out for interim directions as laying of electricity wires affects public at large. **Current Status:** The matter is currently pending in ordinary list and the next date of hearing was 18.10.2023	Non Quantifiable

Source: Investment Manager

Appendix 8.9: GPTL: Summary of Ongoing Litigations (2/5)

Sr. No	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
4	RoW	Chattar Singh	Additional Civil Judge (Senior Division), Kanina	**Background of the case:** Chattar Singh (the plaintiff) filed a suit for permanent injunction in the office of ACJ, Kanina, to the effect that GPTL & others (the defendants) are permanently restrained from laying down power line through any portion of plaintiff's fields. The plaintiff claimed that the erection of the proposed transmission lines would cause him immense loss in terms of endangering himself and his livestock, in addition to making his land uncultivable, which cannot be compensated in monetary terms. GPTL filed a reply dismissing the grounds of the above mentioned suit. The plaintiff was awarded compensation for loss to crops caused due to stringing and erection work. **Current Status:** The matter is currently pending. Next hearing date will be 09.05.2024.	Non Quantifiable
5	RoW	Ishwar Singh	Additional Civil Judge (Senior Division), Sohna	**Background of the case:** Demanding line diversion Ishwar Singh filed a suit for declaration to the effect that the sale deed effected between Ishwar Singh and GPTL (the defendant) regarding the land in question, is illegal and void-ab-initio, alleging that insufficient compensation of INR 55.63 Million had been granted and he is entitled to recover additional compensation of INR 15.07 Million from GPTL, plus interest @18% from 19 April 2018. Also suit filed for ad-interim/ permanent injunction to the effect that defendant is restrained from interfering in the possession of plaintiff's land, from raising any construction over plaintiff's land and from further selling and alienating the land to anyone else. Further prayed that if plaintiff failed to prove possession in the court and if defendant succeeds in forceful possession of the plaintiff's land, then the court direct the defendant to hand over the possession of land to the plaintiff. The plaintiff's second application for appointment of revenue officer to collect evidence was dismissed. Thereafter, hearing was set for admission and denial of facts & documents and for framing of issues. Issues were framed and case is set for evidence. **Current Status:** The Reply has been filed and recorded in order dated 6.3.2020, parties stated that there is no possibility of compromise, issues were framed, evidence to be presented by the parties. The next date of hearing will be is 02.12.2023.	15.07
6	RoW	Taawun Trust	ACJ, Civil Judge Senior Division, Palwal, Palwal, Haryana	**Background of the case:** Demanding land compensation under line corridor. Taawun Trust (the plaintiff) filed a suit for ad-interim/ permanent injunction to the effect that defendants are restrained from installation of any electricity towers or pulling any heavy electric lines over any portion of plaintiff's land. Also, restraining them from changing the nature and utility of the land in any other manner and directing GPTL to change the route of the electric line. Written statement filed by GPTL dismissing the grounds of plaintiff's suit. An application for permission to issue directions to defendants to supply documents concerned to the present suit was filed and the amount involved is to be assessed by Court. **Current Status:** The matter is currently pending and awaiting reply.	Non Quantifiable

Source: Investment Manager

Appendix 8.9: GPTL: Summary of Ongoing Litigations (3/5)

Sr. No	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
7	RoW	Dharam Singh	Civil Judge Grugram	**Background of the case:** Not permitted to erect poles/towers. Dharam Singh (Plantiffs) had filed an application for ad-interim injuction to the Civil Judge. The Plantiffs are the owners of the land where GPTL wants to install transmission tower for the Power Grid Project in the passage of the plantiff's property. The plantiffs have claimed that due to the action of GPTL, the land of the plantiffs shall become useless and virtually be of no value. They would also suffer irreparable loss and damage which cannot be compensated in terms of money. GPTL via its written statement claimed that the Company is only installing electricity transmission lines on and above the suit land as per its allignment and transmission scheme and as per the procedures laid down in relevant laws. The plaintiff is only entitled for compensation in accordance with the provisions of the Electricity Act, 2003 read with Telegraph Act,1885 and such compensation is payable only once the power for laying down transmission lines has been exercised and damage, if any, is sustained by the person concerned. After hearing the plea of both the parties, Civil Judge dismissed the application of the plantiffs for ad-interim injuction vide an impugned order. Being aggrieved by the order, the plantiffs filed an appeal to the higher authority. The Additional District Judge came to the conclusion that the lower Court did not commit any error by dismissing the application of interim injunction and the said order is upheld and the appeal is dismissed and the amount involved is to be assessed by Court. **Current Status:** The next date of hearing will be 05.12.2023. The matter is currently pending and the reply has been filled.	Non Quantifiable
8	RoW	Lorena Developers	Punjab & Haryana High Court at Chandigarh	**Background of the case:** The petitioner, Lorena Developers Limited, aggrieved by the action of GPTL of erecting towers/poles on its land without their prior permission filed writ petition (CWP 10067/2019) before the Punjab & Haryana High Court at Chandigarh. Lorena contended that GPTL's action was against the provisions of the Electricity Act, 2003 and the Telegraph Act, 1885. Further Lorena contended that it had not received the site plan or any survey conducted by GPTL. Accordingly, Lorena, amongst other things, prayed for a direction restraining GPTL from erecting or putting up ay poles or towers or pillars for passing or transmitting any electricity cables or wires and from laying any overhead transmission lines through its land. The High Court passed an order dated 25.02.2020 disposing off the CWP with directions to District Magistrate to carry out assessment of compensation. **Current Status:** The matter is currently pending and the case is remanded to trial courts awaiting further notice from relevant lower court.	Non Quantifiable
9	RoW	Devona Properties Limited	Punjab & Haryana High Court at Chandigarh	**Background of the case:** The petitioner, Devona Properties Limited, aggrieved by the action of GPTL of erecting towers/poles on its land without their prior permission filed writ petition (CWP 10132/2019) before the Punjab & Haryana High Court at Chandigarh. Devona contended that GPTL's action was against the provisions of the Electricity Act, 2003 and the Telegraph Act, 1885. Further it contended that it had not received the site plan or any survey conducted by GPTL. Accordingly, amongst other things, prayed for a direction restraining GPTL from erecting or putting up ay poles or towers or pillars for passing or transmitting any electricity cables or wires and from laying any overhead transmission lines through its land. The High Court passed an order dated 25.02.2020 disposing off the CWP with directions to District Magistrate to carry out assessment of compensation. **Current Status:** The matter is currently pending and the cases remanded to trial courts awaiting further notice from relevant lower court.	Non Quantifiable

Source: Investment Manager

Appendix 8.9: GPTL: Summary of Ongoing Litigations (4/5)

Sr. No	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
10	RoW	Majesta Constructions Limited	Punjab & Haryana High Court at Chandigarh	**Background of the case:** The petitioner, Majesta Constructions Limited, aggrieved by the action of GPTL of erecting towers/poles on its land without their prior permission filed writ petition (CWP 10103/2019) before the Punjab & Haryana High Court at Chandigarh. It contended that GPTL's action was against the provisions of the Electricity Act, 2003 and the Telegraph Act, 1885. Further it contended that it had not received the site plan or any survey conducted by GPTL. Accordingly, amongst other things, prayed for a direction restraining GPTL from erecting or putting up ay poles or towers or pillars for passing or transmitting any electricity cables or wires and from laying any overhead transmission lines through its land. **Current Status:** The matter is currently pending	Non Quantifiable
11	RoW	Nerissa Constructions Ltd.	Punjab & Haryana High Court at Chandigarh	**Background of the case:** The petitioner, Nerissa Constructions Ltd., aggrieved by the action of GPTL of erecting towers/poles on its land without their prior permission filed writ petition (CWP 10824/2019) before the Punjab & Haryana High Court at Chandigarh. It contended that GPTL's action was against the provisions of the Electricity Act, 2003 and the Telegraph Act, 1885. Further it contended that it had not received the site plan or any survey conducted by GPTL. Accordingly, Lorena, amongst other things, prayed for a direction restraining GPTL from erecting or putting up ay poles or towers or pillars for passing or transmitting any electricity cables or wires and from laying any overhead transmission lines through its land. The High Court passed an order dated 25.02.2020 disposing off the CWP with directions to District Magistrate to carry out assessment of compensation. **Current Status:** The matter is currently pending as cases remanded to trial courts awaiting further notice from relevant lower court.	Non Quantifiable
12	RoW	Rajpal Singh	Civil Judge Gurugram	**Background of the case:** Rajpal Singh, the Plaintiff is aggreived by the defendants act of laying transmission lines in the agricultural fields of the Plaintiff without necessary permission from the concerned department and Town Planner. Summons were issued to appear on 08.02.2022. The Summons were forwarded by the SPTL Team- actions initiated by IGT Team **Current Status:** The matter is currently pending and the next hearing date is 28.11.2023 and Memo of Appearance submitted by Advocate on 08.02.2022. Legal documents has been filed and written statement filed on 21.03.2022.	Non Quantifiable
13	RoW	Bhagirath Singh	Civil Judge Gurugram	**Background of the case:** Bhagirath Singh, the Plaintiff is aggrieved by the defendants act of laying transmission lines in the agricultural fields of the Plaintiff without necessary permission from the concerned department and Town Planner. Summons were issued to appear on 11.02.2022. The Summons were forwarded by the SPTL Team- actions initiated by IGT Team. Ministry of Power was Respondent No. 2 - By order dated 8.3.22, Ministry of Power has been deleted from the array of parties based on submissions made by Ministry of Power. **Current status:** Memorandum of Appearance to be submitted by Advocate on 11.02.2022. Legal documents has been filed and written statement filed on 12.05.2022. The next hearing date is 03.11.2023.	Non Quantifiable

Source: Investment Manager

Appendix 8.9: GPTL: Summary of Ongoing Litigations (5/5)

Sr. No	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
14	Regulatory Matters	HVPNL, UPPCL and PSPCL	CERC	**Background of the case:** Petition filed for claiming compensation due to change in Law and seeking an extension to the scheduled commissioning date of the relevant elements of the Project on account of Force Majeure events. Petition was filed in November 2019. **Current Status:** The Petition was last heard on 01.09.2023 and same was adjourned due to paucity of time. The next hearing is yet to be listed.	480.00
15	Regulatory Matters	PGCIL	CERC	**Background of the case :** Petition filed by PGCIL for determination of tariff for assets associated with GPTL assets. PGCIL filed a Petition for determination of transmission tariff for 2019-24 tariff block for Asset I – 1x1500 MVA 765/400kV ICT-II along with associated bays and 2 Nos. 400kV Line Bays for termination of 400kV D/C Aligarh - Pritala TBCB Line at Aligarh 765kV Switching Substation; Asset II- 1x1500 MVA 765/400kV ICT-I at Aligarh 765kV Switching Substation Under ICTs and Bays Associated with Northern Region System Strengthening Scheme (NRSSXXXVIII). **Current Status :** The Petition was last heard on 1.8.2022. The Commission has reserved the order in the matter and observe that this petition will be disposed after the disposal of Petition No. 90/MP/2020 further directed the PGCIL, the petitioner to submit note and to submit any implementation agreement with HVPNL. Final order is pending.	122.90
16	Regulatory Matters	LTTCs	CERC	**Background of the case :** Application filed under sections 14, 15, 79(1)(e) of the Electricity Act, 2003 read with Central Electricity Regulatory Commission Regulations, 2009 seeking Transmission License for Gurgaon Palwal Transmission Limited for the Transmission Project to be constructed through regulated tariff mechanism. **Current Status :** Petition filed on 01.09.2023. Petition is yet to be listed for hearing.	Non Quantifiable

Source: Investment Manager

Appendix 8.10: NERTL: Summary of Ongoing Litigations (1/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
1	RoW	Kamala Debbarma & Others	Civil Judge, Senior Division, Agartala, Tripura West	**Background of the case :** The land is owned by the petitioners and one of the defendants. The landowner is claiming that NER has constructed the transmission line on his land and has received INR 5,17,257 as compensation. The landowner claims to not have received a third instalment of assured compensation. However, the petitioner have not received any notice or compensation. The landowner seeks ex-parte Temporary Injunction till the disposal of the Title Suit. **Current Status :** The plaintiffs are further directed to take necessary steps in respect of defendant no.3 by filing draft copy of publication within 7 days from today. Next hearing is fixed on 11 January 2024.	Non Quantifiable
2	RoW	Sumitra Debbarma & Others	District Judge, West Tripura, Agartala	**Background of the case :** An application u/s 16(3) of the Telegraph Act 1885 for granting compensation amounting to INR 1,10,00,000 for extending high voltage 132 kV overhead electric transmission line over the land of the Petitioners. The RPS has assessed the loss of the claimant at INR 60,00,000 and they have also issued a certificate to the claimant. The defendants for laying their overhead high voltage electric line cut down over 460 rubber trees. The rubber board has assessed the damage at INR 10,000 per rubber plant. However, the suit is valued at INR 1,10,00,000 being the value of the compensation. **Current Status :** The next hearing is fixed on 12 January 2024.	11.00
3	RoW	Md. Taj Uddin Barbhuiya	Court of Munsiff No. 3 at Silchar Cachar	**Background of the case:** Mr. Md. Taj Uddin Barbhuiya, the land owner has filed suit for declaration of right, title, interest over his land and for confirmation of possession therein and for permanent/temporary the injunction restraining Defendants/0.Ps to draw 400KV High Voltage line adjacent to the homestead of the plaintiff/ petitioner and for other relief or reliefs etc. Plaintiff is claiming that he has constructed one house over his land and defendants are laying the 400 kV line from just 2.5 metres to his house and defendants be restrained from drawing the wire. Reply has been filed. The matter was argued on interim order. Interim order dated 23 December 2020 has been extended. Court has asked OP no 1- PGCIL to file its reply in the matter. Further court has directed NERTL to take necessary steps to take care of open high voltage wires. **Current Status:** NERTL has filed application for argument of injunction extension. Stay application decided but no stay granted by the Court. The main matter will continue now. The matter is pending for service report and written statement in main matter and objection hearing in miscellaneous application. The next date of hearing is not yet notified	Non Quantifiable

Source: Investment Manager

Appendix 8.10: NERTL: Summary of Ongoing Litigations (2/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
4	RoW	Basulal Das	Civil Judge Cum Assistant Sessions Judge Court, Cachar, Assam	**Background of the case:** The land owner is challenging the construction of transmission line on his land and also compensation aspect. Misc. Case 107 of 2020 disposed in NER favour on 05 April 2021. **Current Status:** NERTL has filed the written statements and the matter is currently pending.	Non Quantifiable
5	RoW	Abdus Sattar Barbhuiya	Katigorah Revenue Circle Officer, Chachar	**Background of the case:** The land-owner is demanding pecuniary compensation for the transmission line constructed on his land. Compensation of INR 13 lakh has been paid under a settlement agreement. **Current Status:** NERTL is yet to file the reply and the matter is currently pending	Non Quantifiable
6	RoW	Parvin Sultana Barbhuiya	Katigorah Revenue Circle Officer, Chachar	**Background of the case:** The land-owner is demanding pecuniary compensation for the transmission line constructed on his land. Compensation of INR 13 lakh has been paid under a settlement agreement. **Current Status:** NERTL has filed the reply on 13 September 2021 and the matter is currently pending.	Non Quantifiable
7	RoW	Ranjit Deb	District And Sessions Judge Court Complex, Agartala, West Tripura, Tripur	**Background of the case:** An application u/s 16(3) of the Telegraph Act 1885 was filed by the Petitioner for granting compensation due to cut down of rubber tees and other trees for extension of power transmission line by NER-II. **Current Status:** Written Petition is to be filed. The next date of hearing is on 22 January 2024.	0.51
8	RoW	Shri Bir Chandra Debbarma	Civil Judge Court, Junior Division, West Tripura, Agartala	**Background of the case:** The land owner is having a dwelling hut under the transmission line and the same has to be removed in compliance of the directions by the district collector but the landowner is objecting the same and has come before the district Court for appropriate orders. **Current Status:** Appearance to be caused through local lawyer on next date and seek time for filing WS. Misc. (injunction) 8 of 2021 Disposed on 28.01.2022. The next date of hearing is on 23 November 2023.	Non Quantifiable
9	RoW	TATA Projects Limited	Arbitral Tribunal	**Background of the case:** SPGVL was appointed as the EPC contractor of the NER Project.SPGVL appointed TPL as the sub-contractor for certain parts of supply and erection works of the Project. During operation of the Project NER encountered various incidents of failure and malfunctioning of the Insulators designed, manufactured, and supplied by Deccan Enterprises Limited to TPL which were handled/installed at the Projects by TPL.The defect liability period was still subsisting, and as such TPL was in material breach of its obligation by not keeping the PBGs valid. NER requested TPL to fulfil its contractual obligation and thereby extend the validity of PBGs. NER issued a claim notice in respect of the Bank Guarantees to Canara Bank thereby invoking/encashing the PBGs and calling upon Canara Bank to pay Rs. 43,45,02,363, for the material breach committed by TPL. Thereafter, TPL renewed the PBGs. **Current Status:** TATA Projects Limited has issued a notice under Section 21 of the Arbitration and Conciliation Act, 1996 against NER for invoking arbitration proceedings under the supply and services contracts executed between the parties. NER is in the process of filing a claim notice, claiming the losses suffered due to breach of contract by TATA and also issue a response letter and subsequently appoint an arbitrator for the proceedings.	Non Quantifiable

Source: Investment Manager

Appendix 8.10: NERTL: Summary of Ongoing Litigations (3/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
10	RoW	Shaidul Islam Hq. Mozumder	Borkhola police station	**Background of the case:** An FIR was filed by NERTL under Sections 120-B/384 of Indian Penal Code, 1860 ("IPC") with Borkhola police station against Shaidul Islam Hq. Mozumder for obstructing commencement of construction of tower and demanding high compensation beyond stipulated guidelines. The said FIR was filed pursuant to a letter dated 12 May 2020 written by NERTL to the Officer in Charge, Borkhola Police Station, complaining that Shaldul Islam Hq. Mazumdar has obstructed the project and demanded compensation beyond guidelines. **Current Status:** Final report has been received vide no. 66/20, dated 31 July 2020.	Non Quantifiable
11	RoW	Jakir Hussain Laskar	Silchar police station	**Background of the case:** An FIR was filed by NERTL against Jakir Hussain Laskar under Section 341/385 of the IPC with Silchar police station for obstructing construction of 400 D/C (Quad) Transmission Line from Silchar to Misa under NERTL Project by NERTL and demanding high ROW compensation beyond stipulated guidelines. The said FIR was filed pursuant to a letter dated 5 May 2020 by NERTL to the Officer in Charge, Borkhola Police Station, complaining that the accused have obstructed the project and demanded compensation beyond guidelines. **Current Status:** Final report received vide no. 964, dated 30 September 2020.	Non Quantifiable
12	RoW	Harilal Das and Babul Chakrabarty	Silchar police station	**Background of the case:** An FIR was filed by NERTL under Sections 341/325/385/506/341 of IPC with Silchar Police Station against Harilal Das and Babul Chakrabarty in relation to the manhandling of Mr. Rajneesh Pandey at Srikona on 10 August 2019. The said FIR was filed pursuant to a letter dated 11 August 2019 by NERTL to the Officer in Charge, Silchar Sadar Police Station, complaining of mental and physical harassment of Mr. Rajneesh Pandey. **Current Status:** The matter is under investigation.	Non Quantifiable
13	RoW	Basu Lal Das, Kajal Das, Chandan Das, Bisheshwar Goswami, Bidyut Kumar Deb, Khalilur Rahman Baralaskar and Johiruddin Baralaskar	Silchar police station	**Background of the case:** An FIR was filed by NERTL against Basu Lal Das, Kajal Das, Chandan Das, Bisheshwar Goswami, Bidyut Kumar Deb, Khalilur Rahman Baralaskar and Johiruddin Baralaskar under Sections 341/385/506/34 of the IPC for obstructing the work and demanding high ROW compensation beyond guidelines under Section 10 of the Indian Telegraph Act, 1885 and guidelines issued by the Government of Assam. The said FIR was filed pursuant to a letter dated 13 August 2020 by NERTL to the Officer in Charge, Silchar Sadar Police Station, complaining that the accused have obstructed the project and demanded compensation beyond guidelines. **Current Status:** The matter is under investigation.	Non Quantifiable

Source: Investment Manager

Appendix 8.10: NERTL: Summary of Ongoing Litigations (4/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved
14	RoW	Basulal Das	Silchar police station	**Background of the case:** An FIR was filed by Bashu Lal Das on 12 August 2020 against Mr. Pandey, Mr. Amit Singh, Mr. Ashok Tata. As per the FIR an agreement was made between the complainant and the accused persons and NERTL for an amount of INR 6,00,000 (Indian Rupees Six Lakhs Only) for the use of the complainant's land for transporting RCC raw materials through JCB and trucks. Further, the Accused assured that the said route will be repaired. It is stated that the accused failed to undertake the repair of the land, crops and vegetables. Further, the Accused threatened and abused the complainant and trespassed on the land. Anticipatory Bail filed by Mr. Amit Kumar, Mr. Ashok Rout, Mr. Rajneesh Pandey, employees of Sterlite Power Transmission Limited **Current Status:** The matter is under investigation.	Non Quantifiable
15	RoW	Mr. Bittu Dev Barma, Mr. Raju, Mr. Kajal Dev Barma, Mr. Uttam Barma, Mr. Prashant , Mr. Manoranjan Deb Verma, and Mr. Pulse	Senior Superintendent of Police (SSP), West Tripura, Agartala	**Background of the case:** A complaint dated 6 April 2019 made to Senior Superintendent of Police (SSP), West Tripura, Agartala for reporting an incident against Mr. Bittu Dev Barma, Mr. Raju, Mr. Kajal Dev Barma, Mr. Uttam Barma, Mr. Prashant , Mr. Manoranjan Deb Verma, and Mr. Pulse ("Accused") for creating issues in the execution of the work. Further, police protection was requested for completion of the work. In this regard, a notice under Section 41A(1) of the CrPC was issued by the police station against the Accused. On 19 April 2019, a notice was issued to the Accused Sri Uttam Debbarma and directed to appear before the Sub-Inspector of Police at the Ranir Bazar Police Station within 7 (seven) days of receipt of that notice. A notice dated 19 September 2019 under Section 41A(1) of the CrPC was issued by the police station against the Accused. **Current Status:** 4 people have been booked out of 7 people against whom complaint was lodged, Uttam Debbarma, Kajal Debbarma, Raju Debbarma & Bittu Debbarma and they have been served court summons for IPC Sections 342,448,386,504,34 by Judicial	Non Quantifiable
16	RoW	Basulal	Silchar police station	**Background of the case:** FIR No. 342 of 2021 under Sections 147/447/ 294/ 427/188/ 506 of IPC registered with the Silchar Police Station. **Current Status:** The matter is under investigation.	Non Quantifiable

Source: Investment Manager

Appendix 8.10: NERTL: Summary of Ongoing Litigations (5/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
17	NERTL	Mr. Aklim Raja Barbhuiya, Aftab Uddin Barbhiuya, Taj Uddin Barbhuiya	Srikona Police Outpost, Silchar	**Background of the case:** FIR was filed by Mr. Rajesh Pandey on 27 December 2020 under sections 341, 294,385, 506, 34 of the IPC, 1860, against Mr. Aklim Raja Barbhuiya, Aftab Uddin Barbhiuya, Taj Uddin Barbhuiya alleging that the accused had obstructed the work and demanded ROW compensation without any basis. The said FIR was filed pursuant to a letter dated 25 December 2020 by NERTL to the Officer in Charge, Srikona Police Outpost, Silchar, complaining that the accused have obstructed the project and demanded compensation beyond guidelines. **Current Status:** Final report received vide no. 353, dated 27 February 2021.	Non Quantifiable
18	NERTL	Wahida Akhtar Barbhuiya, Rashid Ahmed Barbhuiya	Borkhola Police Station	**Background of the case:** FIR was filed by Mr. Gupta on 26 December 2020 against Wahida Akhtar Barbhuiya, Rashid Ahmed Barbhuiya alleging that the accused are demanding higher compensation beyond government guidelines. The said FIR was filed pursuant to a letter dated 25 December 2020 by NERTL to the Officer in Charge, Borkhola Police Station, complaining that the accused have obstructed the project and demanded compensation beyond guidelines. **Current Status:** Final report received vide no. 22/2021, dated 28 February 2021.	Non Quantifiable
19	NERTL	Shaibur Rahman Laskar, Azad Hussain Laskar, Iftakar Alom Lakskar and others	Borkhola Police Station	**Background of the case:** FIR was filed by Mr. Santosh Kumar on 27 October 2020 against Shaibur Rahman Laskar, Azad Hussain Laskar, Iftakar Alom Lakskar and others, alleging that the accused are obstructing construction. The said FIR was filed pursuant to a letter dated 24 October 2020 by NERTL to the Officer in Charge, Borkhola Police Station, complaining that Shaibur Rahman Laskar, Azad Hussain Laskar, Iftikar Alam Laskar and others have obstructed the project and demanded compensation beyond guidelines. **Current Status:** The matter is under investigation.	Non Quantifiable

Source: Investment Manager

Appendix 8.10: NERTL: Summary of Ongoing Litigations (6/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
20	Regulatory Matter	LTTCs	CERC	**Background of the case:** Petition is being filed dated 24 March 2021 by the Petitioner (NERTL) inter alia claiming compensation due to Change in Law events and seeking an extension to the scheduled commercial operation date ("SCOD") of the relevant elements of the Project on account of Force Majeure events, in terms of Article 11 and 12 of the Transmission Service Agreement dated 27 December 2016. The Respondent filed its reply on 19 January 2022 stating that the prayer of Petitioner seeking imposition of the transmission charges on Power Grid for delay/mismatch cannot be granted. Force Majeure and Change in Law events resulted in time and cost overrun for the project for which relief is sought under TSA for compensatory tariff and extension of SCOD. The petition is clubbed with 41/TT/2022 and 167/TT/2022. **Current Status:** The case is now reserved for orders.	1,272.00

Source: Investment Manager

Appendix 8.11: RSTCPL: Summary of Ongoing Litigations (1/1)

Sr. No	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
1	Regulatory	CERC	V. Sreenivas(Joint Chief-Legal)	**Backgroud Of The Case:**Petition Under Section 79(1)(F) Of The Electricity Act, 2003 Read With Regulation 111 Of The Central Electricity Regulatory Commission (Conduct Of Business) Regulations, 1999 Seeking Directions For Installation Of Optical Ground Wire On The 400Kv Kurukshetra-Malerkotla Transmission Line Established Under The Northern Region System Strengthening Scheme Xxxi(B). **Current Status:** After hearing the parties, the Commission reserved the order and directed CTUIL to file minutes of meetings and other parties to file written submission if any. CTUIL has filed its written submission & NRSS has filed its written submission on 05 June 2023.	Non Quantifiable

Source: Investment Manager

Appendix 8.12: KTL: Summary of Ongoing Litigations (1/1)

Sr. No	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
1	RoW	Jamsingh Bamanke	High Court of Madhya Pradesh,Bench Indore	**Background Of The Case:** 'The Petitioner owns agricultural land in Khargone. KTL excavated the said land and constructed an electricity transmission tower on it for setting up Khandwa-Dhule TL. This occupied a substantial portion of the land. The debris of construction material and waste material prevented the Petitioner from cultivating the land and accessing it as the entrance had been blocked. Petitioner sent legal notice dated October 21, 2020 to KTL requesting for compensation due to the said construction on his land but did not receive any response. **Current Status:** Based on order dated 24 March 2023, it was inferred that due to unavailability of litigants lawyer matter was adjourned for 3 weeks. Further, no date new date of hearing is notified	Non Quantifiable
2	Regulatory	LTTCs	CERC	**Background of the case:-** Petition under Sections 79(1)(c), 79(1)(d) and 79(1)(k) of the Electricity Act, 2003 read with Regulation 4 of the Central Electricity Regulatory Commission (Sharing of Revenue Derived from Utilization of Transmission Assets for Other Business) Regulations, 2020 for giving prior intimation of undertaking the telecommunication business by the Petitioners in compliance with the Honble Commissions letter dated 04.05.2022. The Commission sought additional information from the Petitioner and directed Respondent, MPPMCL to file its reply within 3 weeks. MPPMCL filed its additional reply on 04.05.2023. The matter last heard on 31.7.2023. Considering the submissions made by the learned senior counsel and learned counsel for the parties, the Commission permitted the Petitioners to file their note of submissions within a week. Subject to the above, the Commission reserved the matter for order. Considering the submissions made by the learned senior counsel and learned counsel for the parties, the Commission permitted the Petitioners to file their note of submissions within a week. Subject to the above, the Commission reserved the matter for order. **Current Status:-** Matter is reserved for order.	Non Quantifiable
3	Regulatory	LTTCs	CERC	**Background of the case:-** 'Petition under Sections 63 and 79 of the Electricity Act, 2003 read with the statutory framework governing Inter-state Transmission Systems, and Articles 11 and 12 of the Transmission Service Agreement dated 14.03.2016 executed between Khargone Transmission Limited and its Long-Term Transmission Customers for inter alia claiming compensation due to Change in Law and seeking extension in the scheduled commercial operation date of the relevant elements of the Project on account of Force Majeure. MSEDCL has filed its written submission on 7.12.2022 & KTL has filed its reply on 12.12.2022. **Current Status:-** Matter is reserved for order.	150 + Interest
4	Regulatory	PGCIL	APTEL	Background of the case:- 'KTL has challenge Order dated 04.07.2023 ("Impugned Order") passed by the CERC in Petition No. 694/TT/2020 ("PGCIL Petition") whereby CERC has made the KTL liable to pay the transmission charges. Appeal filed against CERC order 694/TT/2020 and IAs has been filed for exemption from filing certified copy of impugned order. Petition last heard on 26.9.2023. The court Issue notice to the Respondents both in the main Appeal and in the IAs. CTUIL impleaded as respondent. **Current status:-** Matter is under scrutiny.	93.59

Source: Investment Manager

Appendix 8.13: KLMTL: Summary of Ongoing Litigations (1/1)

Sr. No	Matter	Against	Pending Before	Details of the Case	Amount Involved (INR Million)
1	RoW	Zhakir Jalal Sayyad	Civil Judge Junior Division, Washi	**Backgroud of the case:** The Plaintiff, a factory owner has filed a temporary injunction against the Company. The Defendant is in the process of setting up the transmission line from location 7/1 to location 8/0. The Plaintiff submits that he plans on constructing an additional structure for the factory within the transmission line corridor and has converted the land for non-agricultural use. The Plaintiff contends that setting up the transmission line will casue harm to life and property and has therefore filed for injunction. **Current status:** Written Statement has been filed by the Defendant. The next date of hearing is fixed on 18 December 2023.	Non Quantifiable
2	Regulatory	CTU	CERC, New Delhi	**Backgroud of the case:** Application under Sections 14, 15, 79(1)(e) of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2009 seeking Transmission License for Kallam Transmission Limited for the Transmission Project to be constructed through regulated tariff mechanism (RTM) **Current stauts:** The matter last heard on 12.9.2023 & Commission reserved the order.	1,568.90

Source: Investment Manager

Appendix 8.14: JKTPL: Summary of Ongoing Litigations (1/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
1	RoW	Kartar Singh	District and Sessions Courts, Jhajjar (APP/56/2020)	**Background of the case:** Kartar Singh (the plaintiff/ petitioner/ applicant) filed an application to the District Court for compensation for damage to crops and damage to the market value of land due to installation of electric poles and transmission lines over the plaintiff's lands. According to the applicant, a written objection was raised on 15 February 2011 to the District Magistrate, however, no further inquiry took place. The District and Sessions Court, Jhajjar has issued a summon to JKTPL to dispose the petition. **Current Status:** The matter is currently pending. The next date for hearing is set for 16 December 2023. JKTPL is in the process of filing its reply.	9.04 (alongwith interest @18% and 30% solatium)
2	RoW	Pramod & others	District Court, Sonepat (EXP/568/2017)	**Background of the case:** Pramod and others (the plaintiffs/ petitioners) filed an application to the District Court for compensation for damage to crops and severe diminution in the market value of land due to installation of electric poles and transmission lines over the plaintiff's lands. KPTL filed a reply dismissing the grounds of the above-mentioned petition stating that compensation was already awarded to the petitioner (INR 0.08 million). The District Court, Sonepat, passed an order on 28 February 2017 in favour of the petitioners directing KPTL to provide compensation of INR 8.5 million alongwith interest @ 8% (Pramod's part being INR 1.58 million). Pramod filed an Execution Petition for the execution of the said order (EXP/568/2017). Notice was issued to all respondents. **Current Status:** The matter is currently pending. On 6.10.2023, Application for taking on record the copy of stay order passed by Apex Court in present matter was filed. The next date of hearing is 17 November 2023.	1.63 (alongwith interest @ 8%)
3	RoW	Ompati (Tarachand) & others	District Court, Sonepat (EXP/570/2017)	**Background of the case:** Ompati (legal representative of deceased Tarachand) and others (the plaintiffs/ petitioners) filed an application to the District Court for compensation for damage to crops and damage to the market value of land due to installation of electric poles and transmission lines over the plaintiff's lands. KPTL filed a reply dismissing the grounds of the above-mentioned petition stating that compensation was already awarded to the petitioner (INR 0.09 million). The District Court, Sonepat, passed an order on 28 February 2017 in favour of the petitioners directing KPTL to provide compensation of INR 8.5 million alongwith interest @ 8% (Tarachand's part being INR 1.13 million). Tarachand filed an Execution Petition for the execution of the said order (EXP/570/2017). Court listed the matter for hearing and directed to file list of property of Judgement Debtors. On 25 November 2022, the District Court attached the bank account of HVPNL to the extent of INR 0.5 million. On 16 January 2023, the counsel Mr. Kamal Hooda filed his memo of appearance and sought time to file reply to the execution petition. On 6.10.2023, Application for taking on record the copy of stay order passed by Apex Court in present matter was filed. **Current Status:** The matter is currently pending. No amount has been paid to the claimant in this matter as on date. The next date for hearing is set for 17 November 2023.	1.13 (alongwith interest @ 8%)

Source: Investment Manager

Appendix 8.14: JKTPL: Summary of Ongoing Litigations (2/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
4	RoW	Vinod & others	District Court, Sonepat (EXP/567/2017)	**Background of the case:** Vinod and others (the plaintiffs/ petitioners) filed a petition for compensation for damage to crops, severe diminution in the market value of land, stunted growth of plants & animals and cause for health problems, due to installation of electric poles and transmission lines over the plaintiff's lands. KPTL filed a reply dismissing the grounds of the above-mentioned petition stating that compensation was already awarded to the petitioner (INR 0.08 million). The District Court, Sonepat, passed an order on 28 February 2017 in favour of the petitioners directing KPTL to provide compensation of INR 8.5 million alongwith interest @ 8% (Vinod's part being INR 0.52 million). Vinod filed an Execution Petition for the execution of the said order (EXP/567/2017). Notice was issued to all respondents. On 25 November 2022, the District Court attached the bank account of HVPNL to the extent of INR 0.7 million. An application for setting aside the ex-parte order dated 27 September 2017 has been filed on behalf of HVPNL. Reply to the said application be filed on the next date of hearing. On 6.10.2023, Application for taking on record the copy of stay order passed by Apex Court in present matter was filed. **Current Status:** The matter is currently pending. No amount has been paid to the claimant in this matter as on date. The next date for hearing is set for 17 November 2023.	0.52 (alongwith interest @ 8%)
5	RoW	Mange Ram	District and Sessions Courts, Jhajjar	**Background of the case:** Mange Ram (the plaintiff/ petitioner/ applicant) filed an application to the District Court for compensation for damage to crops and damage to the market value of land due to installation of electric poles and transmission lines over the plaintiff's lands. According to the applicant, a written objection was raised on 15 February 2011 to the District Magistrate, however, no further inquiry took place. The District and Sessions Court, Jhajjar has issued a summon to JKTPL to dispose the petition. JKTPL is in the process of filing its reply. The last date of hearing was 9 August 2023. **Current Status:** The matter is currently pending. JKTPL is in the process of filing its reply in this matter. The next date of hearing is 5 October 2023.	16.03 (alongwith interest @18% and 30% solatium)
6	RoW	Ramniwas (s/o Bhartu)	District and Sessions Courts, Jhajjar	**Background of the case:** Ramniwas (the plaintiff/ petitioner/ applicant) filed an application to the District Court for compensation for damage to crops and damage to the market value of land due to installation of electric poles and transmission lines over the plaintiff's lands. According to the applicant, a written objection was raised on 15 February 2011 to the District Magistrate, however, no further inquiry took place. The District and Sessions Court, Jhajjar has issued a summon to JKTPL to dispose the petition. JKTPL is in the process of filing its reply. The last date of hearing was 9 August 2023. **Current Status:** The matter is currently pending. JKTPL is in the process of filing its reply in this matter. The next date for hearing is set for 16 December 2023.	20.54 (alongwith interest @18% and 30% solatium)
7	RoW	Ramniwas (s/o Puran)	District and Sessions Courts, Jhajjar	**Background of the case:** Ramniwas (the plaintiff/ petitioner/ applicant) filed an application to the District Court for compensation for damage to crops and damage to the market value of land due to installation of electric poles and transmission lines over the plaintiff's lands. According to the applicant, a written objection was raised on 15 February 2011 to the District Magistrate, however, no further inquiry took place. The District and Sessions Court, Jhajjar has issued a summon to JKTPL to dispose the petition. JKTPL is in the process of filing its reply. JKTPL has received notice from HVPNL (one of the respondents) on 03 September 2020, intimating that the Company has received summons from the District Court regarding this matter, and has asked JKTPL to associate with the offices of other respondents. JKTPL is in the process of sending reply to the said letter. The last date of hearing was 9 August 2023. **Current Status:** The matter is currently pending. JKTPL is in the process of filing its reply in this matter. The next date for hearing is set for 16 December 2023.	10.27 (alongwith interest @18%)

Source: Investment Manager

Appendix 8.14: JKTPL: Summary of Ongoing Litigations (3/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
8	RoW	Vijay Singh	District and Sessions Courts, Jhajjar	**Background of the case:** Vijay Singh (the plaintiff/ petitioner/ applicant) filed an application to the District Court for compensation for damage to crops and damage to the market value of land due to installation of electric poles and transmission lines over the plaintiff's lands. According to the applicant, a written objection was raised on 15 February 2011 to the District Magistrate, however, no further inquiry took place. The District and Sessions Court, Jhajjar has issued a summon to JKTPL to dispose the petition. JKTPL is in the process of filing its reply. JKTPL has received notice from HVPNL (one of the respondents) on 03 September 2020, intimating that the Company has received summons from the District Court regarding this matter, and has asked JKTPL to associate with the offices of other respondents. JKTPL is in the process of sending reply to the said letter. **Current Status:** The matter is currently pending. Next date of hearing is 17 April 2023. JKTPL is in the process of filing its reply in this matter. The next date of hearing is 16 December 2023.	15.36 (alongwith interest @18%)
9	RoW	Karan Singh	District Judge, Jhajjar	**Background of the case:** Karan Singh (the plaintiff/ petitioner/ applicant) filed an application to the District Court for compensation for damage to crops and damage to the market value of land due to installation of electric poles and transmission lines over the plaintiff's lands. According to the applicant, a written objection was raised on 15 February 2011 to the District Magistrate, however, no further inquiry took place. The applicant however admitted to having a pending application before the High Court of Punjab and Haryana (LPA/1456/2011) regarding the same subject matter but a different cause of action. JKTPL is in the process of filing its reply. The last date of hearing was 27 September 2023. **Current Status:** The matter is currently pending. JKTPL is in the process of filing its reply in this matter. The next date of hearing is 17 January 2024.	17.15 (alongwith interest @18%)
10	RoW	Rathi Ram Vs. State of Haryana	District Court, Jhajjar (EXE/444/2021)	**Background of the case:** This Execution Petition has been filed by Mr. Rati Ram, in furtherance to the Judgment dated 20 December 2019 in Case No. 444/2022 (In the said judgement the Trial Court passed an order in favour of Rati Ram for the amount claimed in its Petition. Vide the Order, the Court awarded Rati Ram compensation of Rs. 2.61 million towards land, crop, tree compensation and compensation towards harassment alleged to be suffered + 18% p.a as interest from April 2011 to realization of compensation). **Current Status:** Mr. Rati Ram is claiming INR 7.34 million through the Execution Petition. (INR 2.61 towards Principal Amount and INR 4.73 as an interest (interest has been calculated from April 2011 to October 2021). The next date of hearing is set for 5 February 2024.	7.34 (2.61 towards Principal Amount and 4.73 as an interest (interest has been calculated from April 2011 to October 2021))
11	RoW	Sanjeet Singh Vs. Xen, TS Division (HVPNL Panipat), HVPNL & JKTPL	Civil Judge (Senior Division) Sonipat	**Background of the case:** The Plaintiff to the suit runs a Dhaba on a land falling in the revenue estate of Rai. The National Highway No.44 (NH-44) is situated on the west side of the Plaintiff's land. A transmission line is crossing the NH-44 in the opposite direction of the Plaintiff's property. Further a fly-over crossing NH-334-B has been constructed across NH-44 so much so, that at the point of crossing of NH-44, the transmission line has lost its required height clearance between TL-167 and TL-168. The Plaintiff contends that the defendants plan to relocate existing TL-166 and TL-167 and further install a new tower between TL-165 and TL-168 in the southern side of NH-334-B. The Plaintiff claims that such a plan of action will cost the Plaintiff his business. **Current Status:** The Plaintiff has prayed to the Court to grant a decree of permanent injunction restraining the defendants from executing its plan of action. The Plaintiff prays that the defendants first provide the Plaintiff with a vacant land after removing pole T-166 before further executing their plan of action for maintaining required clearance. The next date of hearing is set for 10 November 2023.	-

Source: Investment Manager

Appendix 8.14: JKTPL: Summary of Ongoing Litigations (4/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
12	RoW	Ashoka University and Ors	High Court of Punjab and Haryana	**Background of the case:** The Petition is filed against an alleged disobedience of the Order dated 02.03.2023 in CWP No. 4309/2023. The Petitioners in their Petition contend that the National Highway Authority of India and its contractor continued with the construction of pylons for altering the high tention lines over the property of the Petitioner in contravention of the Order dated 02.03.2023. **Current Status:** The next date of hearing is on 11 December 2023.	Non Quantifiable
13	RoW	Vinod and Others	Supreme Court of India	**Background of the case:** SLP is filed against the impugned final judgment and order dated 24.02.2023 passed by the High Court of Punjab and Haryana in CWP.21878/2017, CWP. 26406/2017, CR. 3502/2017, CR. 3503/2017, CWP. 9495/2017, CR. 3830/2017, CWP 28570/2017. Wherein the High Court disallowed the Petition filed by the Petitioner and allowed the Revision Petition filed by the Respondent along with an increase in the amount of right of way compensation from 85 lakhs per acre to 1.5 crores per acre. **Current Status:** On 17.10.2023, Respondents are granted time to file counter affidavit and the Petitioner was granted final opportunity to take appropriate steps in respect of the deceased Respondent No.15. The next date of hearing is on 29 November 2023.	Non Quantifiable
14	RoW	Rati Ram and Others	Supreme Court of India	**Background of the case:** SLP is filed against the impugned final judgment and order dated 24.02.2023 passed by the High Court of Punjab and Haryana in CR.1280/2020, CR.2873/2021 wherein the High Court disallowed the Revision Petition filed by the Petitioner and allowed the Revision Petition filed by the Respondent No.1 along with increase in the amount of right of way compensation to the Respondent No.1 from 26.12 lakhs to 1.5 Crores per acre. **Current Status:** The next date of hearing is on 17 October 2023.	Non Quantifiable
15	Regulatory	HERC and HVPNL	APTEL	**Background of the case:** The dispute pertains to the difference in interpretation of the provisions of the TSA (Article 21.3 and 26) with respect to the computation of RMU between the Company and HVPNL, on the following issues: (a) interpretation of Article 21.3.1 of the TSA and forced outage limited until which no penalty will be imposed; (b) interpretation of Article 21.3.2 of the TSA and the quantum of penalty to be imposed for exceeding the forced outage limit. Basis (a) and (b) above, HVPNL has imposed a penalty of INR 545.80 Lakhs. **Current Status:** The Court directed to List this Appeal along with Appeal No.220 of 2018 and 204 of 2019 for hearing on 05.11.2020. There is no update w.r.t hearing held of 05 November 2020. Next date of hearing is not notified.	54.58
16	Regulatory	HERC and HVPNL	APTEL	**Background of the case:** HVPNL had granted 120 days to JKTPL as repair time of ICT against the 30 days provided in TSA. Basis the provisions of the TSA, HVPNL deducted penalty on the delayed period (exceeding 30 days) for the delay in repair time of ICT-1 and ICT-11 Kabulpur. The HERC passed a order dated 4 April 2019 granting relief on repair time of ICT up to 120 days and the remaining issues have been dismissed by HERC. HVPNL has filed an appeal (Appeal No. 204/2019) before APTEL against the order of the HERC granting ICT repair time of 120 days to JKTPL and sought for stay of the HERC order dated 4 April 2019. No amount has been repaid to JKTPL towards the excess deduction for delay in repairs of ICTs by HVPNL. JKTPL has filed its reply dated 27 August 2019 against the appeal filed by HVPNL before APTEL, denying the contentions of HVPNL and seeking that the appeal filed by HVPNL be dismissed and that the amount deducted by HVPNL be refunded to JKTPL with interest within a period of 15 days. **Current Status:** Next date of hearing is to be notified.	7.73
17	Direct Tax Matters	JKTPL	CIT (A)	Background of the case: JKTPL has received intimation under section 143(1) for AY 17-18 dated 29 March 2019. JKTPL has filed an appeal to CIT(A) on 26 April 2019. The amount outstanding as per the screenshot provided from Income Tax website, amount of INR 5.34 million. **Current Status:** JKTPL had filed an appeal with the CIT(A) requesting for deleting the said demand. The case is currently open. Pursuant to passing of the appellate order by the CIT(A), the said demand shall stand deleted. Income Tax department has adjusted demand against refund	5.34

Source: Investment Manager

Appendix 8.14: JKTPL: Summary of Ongoing Litigations (5/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
18	Direct Tax Matters	JKTPL	Assessing Officer	**Background of the case:** JKTPL has received a notice issued under Section 139(9) of the IT Act for AY 19-20 dated 10 February 2020 for which JKTPL has filed its response to the demand notice vide letter dated 29 February 2020. **Current Status:** JKTPL has filed rectification application for deleting the said demand. Pursuant to passing of the such order, the said demand shall stand deleted. Income tax department has adjusted demand against refund due	7.86
19	Regulatory	HVPNL	APTEL	**Background of the case:** JKTPL had filed Case No. 36/2017 before Haryana Electricity Regulatory Commission ("HERC") claiming payment of full Unitary Charges wrongly deducted by HVPNL by wrongly computing "Availability" of the transmission system capacity of the months of February and March, 2016 due to Force Majeure events (Jatt Agitation). In the said order dated 21 May 2018 passed by HERC, HERC has allowed the computation of "Availability" as worked out by JKTPL in terms of the Transmission Agreement, however they had disallowed the entitlement of full unitary charges. JKTPL has prayed to refund the wrongful deduction of INR 35.46 million unitary charges payable to Jhajjar KT by HVPNL, for the months of February and March, 2016. JKTPL has filed an appeal challenging the order dated 21 May 2018 passed by HERC. Appeal is admitted and the notice has been issued to HVPNL. Pleadings are complete. Counsel for JKTPL has started the arguments the matter is pending part heard. Court has directed both parties to submit calculation sheet for the claims made in the petition. HVPNL had filed review petition for the HERC Order dated 21 May 2018 to clarify the meaning of Order but the same got dismissed in the first hearing held on 18 December 2018 by HERC. HERC cited that as the same matter is pending before APTEL, passing of any Order won't serve any purpose. Hence the review petition was found infructuous and was accordingly dismissed. Above mentioned appeal was filed on 21 June 2018 to which HVPNL replied on 3 October 2018. JKTPL filed a rejoinder in response to the reply by HVPNL on 22 October 2018. **Current status:** The matter is currently pending.	35.46
20	Regulatory	HVPNL	Arbitration Tribunal Mr. Justice Manmohan Sarin (Retd.) Mr. Justice R.C. Chopra (Retd.) Mr. Justice Mukul Mudgal (Retd.)	**Background of the case:** Transmission Agreement dated 28 May 2010 effective from 14 May 2010 was signed between JKTPL and Haryana Vidyut Prasaran Nigal Limited ("HVPNL"). JKTPL raised claim of approx. INR 620 million on various accounts such as wrongful deduction of LD; claim for reimbursement of supply cost incurred for laying extra length; claim for reimbursement for erection cause incurred for laying extra length; design charges for gantry, DD tower with Auxiliary cross arm due to extra length; reimbursement of cost incurred for deploying engineering agency due to delay in appointment of IE; Idling charges of Sub-Contractor; Claim for non payment of unitary charges; claim for non adherence of condition precedent; compensation for breach of contract. JKTPL have filed Statement of Claim before the Tribunal and the Respondent has filed Statement of Defence to which JKTPL have filed Rejoinder and application for Admission and Denial of Documents has already been filed by both the parties. Respondent have filed an application for preliminary issue on impact of claims on tariff to which we have filed Reply. Both parties have filed convenience compilation and version of chronology of events and dates. Starting 8 August 2017, the tribunal has heard arguments and there have been adjournment of hearings. The last hearing was to be conveyed on 23 March 2020 however the same was adjourned due to national lockdown (COVID-19). Next date of hearing is awaited. **Current status:** The matter is currently pending.	620.00

Source: Investment Manager

Appendix 8.14: JKTPL: Summary of Ongoing Litigations (6/6)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
21	Union of India, State of Haryana, HVPNL & JKTPL & others	Karan Singh	Punjab & Haryana High Court (LPA 1456/2011)	**Background of the case:** The Civil Writ Petition was filed by the plantiff soughting relief for JKTPL to not lay down transmission lines without following the due process of the law and granting full compensation, rent and other incidental charges for the loss caused by laying of transmission lines. The Court then passed the order on 19 July 2011 dismissing the petition and held that the JKTPL conforms to all the law and claim for compensation should be dealt independently as laid down in the suitable law. Aggrieved by the order passed, the plantiff filed a Latent Patent Appeal against the said order and the same was admitted by the Court. **Current status:** No temporary injuction is in force. Matters were listed for hearing on 2 July 2019 but it did not reach therefore could not be taken up. The matters are to be listed for arguments and the next date of hearing has not been notified.	Non Quantifiable
22	Union of India, State of Haryana, HVPNL & JKTPL & others	Kanwar Singh	Punjab & Haryana High Court (LPA 1457/2011)	**Background of the case:** The Civil Writ Petition was filed by the plantiff soughting relief for JKTPL to not lay down transmission lines without following the due process of the law and granting full compensation, rent and other incidental charges for the loss caused by laying of transmission lines. The Court then passed the order on 19 July 2011 dismissing the petition and held that the JKTPL conforms to all the law and claim for compensation should be dealt independently as laid down in the suitable law. Aggrieved by the order passed, the plantiff filed a Latent Patent Appeal against the said order and the same was admitted by the Court. **Current status:** No temporary injuction is in force. Matters were listed for hearing on 2 July 2019 but it did not reach therefore could not be taken up. The matters are to be listed for arguments and the next date of hearing has not been notified.	0.52 (alongwith interest @ 8%
23	Union of India, State of Haryana, HVPNL & JKTPL & others	Rati Ram	Punjab & Haryana High Court (LPA 1334/2011)	**Background of the case:** The Civil Writ Petition was filed by the plantiff soughting relief for JKTPL to not lay down transmission lines without following the due process of the law and granting full compensation, rent and other incidental charges for the loss caused by laying of transmission lines. The Court then passed the order on 19 July 2011 dismissing the petition and held that the JKTPL conforms to all the law and claim for compensation should be dealt independently as laid down in the suitable law. Aggrieved by the order passed, the plantiff filed a Latent Patent Appeal against the said order and the same was admitted by the Court. **Current status:** No temporary injuction is in force. Matters were listed for hearing on 2 July 2019 but it did not reach therefore could not be taken up. The matters are to be listed for arguments and the next date of hearing has not been notified.	Non Quantifiable
24	Direct Tax Matters			**Background of the Case:** As per the screenshot of TDS default summary dated 16 January 2020, there is tax demand of INR 0.55 Million. **Current Status:** ENICL has applied for rectification and as per screenshot of the traces website demand has been rectified.	0.55

Source: Investment Manager

Appendix 8.15: PrKTCL: Summary of Ongoing Litigations (1/14)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
1	RoW - Civil Suit	Viswanath	High Court, Shimla	**Background of the case**: Mr. Viswanath has filed a lawsuit before Shimla High Court on 24th November 2016. As per the applicant, he doesn't have any means of livelihood other than the Land on which tower installation has been done. Hence, he has sought a compensation of INR 100 Mn. The applicant also wrote his grievance to M.P. Anurag Thakur on letter dated 9th September 2015. PrKTCL is a co-respondent in this writ petition along with State of HP and Union of India. High Court Shimla issued notices to all respondents for appearance on 27th December 2016. The compensation of amount INR 0.35 million made as per the provisions of Telegraph Act has been submitted. Case is not listed from the date of 8th May 2017. **Current Status**: The matter is currently not listed for hearing.	100.00
2	RoW - Civil - Under Telegraph Act	Dharam Singh	Add. District and Sessions Judge Distt. Court, Mandi	**Background of the case** : Dharam Singh has filed a suit under Indian Telegraph Act for enhanced compensation. **Current Status**: The matters are currently pending and fixed For Issues 29.12.2023	Non Quantifiable
3	RoW - Civil Suit with prohibitory injunction	Sada Nand /Bihari Lal /Ram Chander /Ramesh Kumar /Pritam /Bheem Ram /Karam Singh /Jagta /Koli Ram	Civil Judge, Sub District Court, Gohar	**Background of the case**: Plaintiff's (Sada Nand /Bihari Lal /Ram Chander /Ramesh Kumar /Pritam /Bheem Ram /Karam Singh /Jagta /Koli Ram) appeal and application under Section 39(1&2) of CPC. That defendant must execute the lease agreement or monthly rent or acquire the suit land. That defendant must be restrained from passing electricity through the transmission line structures until the defendant executed the monthly rent agreement. PrKTCL submitted that it is a transmission licensee duly approved by CERC and has been empowered with Telegraph Authority u/s 164 of Indian Electricity Act, 2003. It is empowered to place and maintain power line over and along over across any immovable property. Plaintiff appealed that a temporary injunction under Rule 39 (1&2) of CPC may be granted restraining the respondent from passing electricity through the transmission line structure. PrKTCL submitted that the Plaintiff is not entitled for any relief which will affect the defendant irreparably which would also amount to a great loss to the public at large. (There are 20 separate cases with similar background). **Current Status**: The matters are currently pending and fixed for reply/consideration at specific dates.	Non Quantifiable

Source: Investment Manager

Appendix 8.15: PrKTCL: Summary of Ongoing Litigations (2/14)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
4	RoW - Civil Suit with prohibitory injunction	Karnail Singh/Karnail Singh/Harbans Lal/Kishan Singh/Ravinder Singh	Civil Judge, Sub District Court, Gohar	**Background of the case**: The Plaintiff (Karnail Singh/Karnail Singh/Harbans Lal/Kishan Singh/Ravinder Singh) has filed a petition under the provisions of the Telegraph Act for compensation for land and enhancement of crop and trees compensation. Plaintiff has claimed that he is entitled for a compensation of for land, trees and for wheat crop may be awarded. PrKTCL submitted that the suit is not maintainable before this court as according to Section 16.3 of Telegraph Act, 1885, District Court is competent to determine compensation. Also, PrKTCL duly paid compensation towards damaged crop. Plaintiff has claimed in it's petition has claimed that Transmission Tower has been installed on his land situated at Ropar. It is claimed that Poplar Trees have been cut and removed by respondent and wheat crop has been totally damaged in the land. Payment made by Respondent has been received by Plaintiff under protest but land compensation has not been provided by the Respondent. The compensation paid is not acceptable to the petitioner. Further, the petitioner claimed that he cannot plant trees and do any construction, install tubewell, etc. at the location. PrKTCL submitted that the Poplar Trees were cut and taken in possession by the Plaintiff and not by PrKTCL. Compensation amount for affected crop was received in 3 phases by the Plaintiff without any protest (Compensation amount was determined after taking the rates as determined by the Government Department). It was clarified that the land was not acquired and only the right to access was acquired for carrying out necessary work. PrKTCL has filed revision in the High Court of Punjab and Haryana at Chandigarh on 2nd April 2018 against award passed by District Court, Rupanagar and same was allowed in favour of the Company on 19th Feb 2020. High Court, Chandigarh vide order dated 19th Feb 2020, recorded that "it is considered appropriate to remit the cases back to the learned Additional District Judge/Trial Court". The case was reheard by Adj Court Rupanagar on 6th March 2020. The matter was disposed off on 14 October 2021 where respondent was required to pay fair compensation to the petitioners for diminished value of land, cutting of poplar trees and wheat crops. Aggrieved by the order the respondent has filed revision petition. (There are 9 separate cases with similar background) **Current Status**: The matter was disposed on 14th October 2021. Revision Petition has been filed before the Punjab & Haryana High Court on 15th March 2022.`	Non Quantifiable
5	RoW - Civil Suit with prohibitory injunction	Moti Ram	Civil Judge, Sub District Court, Kullu Now transferred to Civil Judge, Sub Division Court, Banjar	**Background of the case**: Mr. Moti Ram appealed that a mandatory injunction directing the defendant to demolish the pillars of transmission line tower structure from the suit land. A decree of recovery of INR 0.04 million by way of damages caused to the retaining wall which was damaged during construction of tower foundation. PrKTCL Submitted that it is a transmission licensee duly approved by CERC and has been empowered with Telegraph Authority u/s 164 of Indian Electricity Act, 2003. It is empowered to place and maintain power line over and along over across any immovable property. Also, the land where the transmission tower is installed is not a possession of Mr. Moti Ram but of Mr. Dabe Ram and sufficient compensation has been given by PrKTCL to Mr. Dabe Ram. It also submitted that no retaining wall was damaged during construction. **Current Status**: Case is fixed for For Rejoinder 25.11.2023	0.10

Source: Investment Manager

Appendix 8.15: PrKTCL: Summary of Ongoing Litigations (3/14)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
6	RoW - Civil Suit with prohibitory injunction	Goverdhan	Civil Judge, District Court, Kullu	**Background of the case**: Mr. Goverdhan appealed that a prohibitory injunction from carrying out the transmission line activities and from raising construction of tower over the suit land. That the plaintiff has planted walnut trees over the suit land and if it is permitted to the defendant to install the tower over the suit land would cause danger to the plaintiff at the time of removal of crop from the walnut tree. PrKTCL Submitted that it is a transmission licensee duly approved by CERC and has been empowered with Telegraph Authority u/s 164 of Indian Electricity Act, 2003. It is empowered to place and maintain power line over and along over across any immovable property. The prohibitory injunction sought by the plaintiff was dismissed by CJ,Kullu vide order dated 26th November 2013. **Current Status**: Case is further fixed For Service 04.11.2023	Non Quantifiable
7	RoW - Civil Suit	Ghanshyam	Additional District Judge, District Court, Mandi	**Background of the case**: Mr. Ghanshyam filed an appeal u/s 16(3) and 16(4) of Telegraph Act, 1885 against the order of District Magistrate Mandi for compensation enhancement. PrKTCL submitted that INR 0.24 million and has been paid towards compensation to plaintiff and his family members (for both the cases). District Magistrate vide order dated 4th October 2016 has dismissed the petition stating that the land owner has already received sufficient compensation towards the damages. Plaintiff has appealed for damages/compensation amounting to INR 2.5 million and INR 0.7 million in 2 separate similar petitions. **Current Status**: The case is fixed For Orders 07.11.2023	2.50
8	RoW - Civil Suit for Recovery	M/s Ram Syal Hydro Power Limited	Civil Judge, Sub Division Court, Banjar	**Background of the case**: M/s Ram Syal Hydro Power Limited filed a case in Kullu District court on 15th July 2016 on account of realization of accessories (Poles and Transmission accessories, etc.) line at the time of construction of defendant's transmission line. The Appellant demanded recovery amounting to INR 0.15 million along with interest @ 12% which were leftover after shifting of 33 kv line. The defendant denied that it had ever agreed to return the remaining poles and transmission accessories and later on failed to return the same. During dismantling of existing line of plaintiff, the material was extracted in scrap condition which was handed over to them though defendant was not bound to return any material. **Current Status**: Case is fixed for For Plaintiff's Evidence 25.11.2023	0.15
9	RoW - Civil Suit	Kali Ram	Additional District Judge, District Court, Mandi	**Background of the case**: Mr. Kali Ram filed an appeal u/s 16 of Telegraph Act 1885 against the order of district magistrate mandi dated 21st June 2016 for compensation enhancement. The market value of land should be assessed by concerned department. PrKTCL defended that in view of provision of Section 10 of India Telegraph Act 1885 land acquisition is not in the provision therefore the question of providing the market value of the land does not arise. District Magistrate vide order dated 6th December 2016 has dismissed the petition stating that the land owner has received sufficient compensation towards the damages. The defendant states that in view of provision of section 10 of Indian Telegraph act 1885, land acquisition is not in the provision therefore the question of providing the market value of the land does not arise. **Current Status**: Case is fixed for For Respondent's Evidence 06.11.2023	0.20

Source: Investment Manager

Appendix 8.15: PrKTCL: Summary of Ongoing Litigations (4/14)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
10	RoW - Civil Suit	Dhoom Raj	Additional District Judge, District Court, Mandi	**Background of the case**: Mr. Dhoom Raj filed a suit for compensation enhancements u/s 16(3) of Indian Telegraph Act 1885. He contended that the Respondent caused damages to crops, land and the Respondent's cow shed. The Appellant submits that he received a compensation of Rs. 1,50,000 from the Respondent and further contends that the compensation so paid is inadequate. PrKTCL has not received summons till date. **Current Status**: Case is fixed for for Arguments on 7th November 2023.	Non Quantifiable
11	RoW - Civil Suit	Pohlo Ram	High Court, Shimla	**Background of the case**: Mr. Pohlo Ram filed a suit under section 226 and 227 of constitution of India for realignment of the transmission line. That Stay order against DM Mandi order under Section 16 of Indian Telegraph Act dated 5th June 2013 may be granted. PrKTCL submitted that it has carried out work in strict accordance with the law. No date of hearing has been listed since July 2017. **Current Status**: Case is currently not listed for hearing	Non Quantifiable
12	RoW - Civil Suit	Bhup Singh	Additional District Judge, District Court, Mandi	**Background of the case**: Mr. Bhup Singh filed an appeal u/s 16(3) and (4) of Telegraph Act,1885, against the order of District Magistrate Mandi dated 21st June 2016 for compensation enhancement. PrKTCL submitted that INR 0.35 million has been paid towards compensation. Plaintiff has appealed for damages/compensation amounting to INR 2.09 million. District Magistrate vide order dated 21st June 2016 has dismissed the petition stating that the Land owner has already received sufficient compensation towards the damages. **Current Status**: Case is currently fixed for For Arguments 03.11.2023	2.09
13	Civil Suit	Kishan Chand	Additional District Judge, District Court, Mandi	**Background of the case**: Mr. Kishan Chand filed an appeal u/s 16(3) and (4) of Telegraph Act,1885, against the order of District Magistrate Mandi dated 24th May 2016 for compensation enhancement. PrKTCL submitted that INR 0.35 million has been paid towards compensation. Plaintiff has appealed for damages/compensation amounting to INR 0.76 million. District Magistrate vide order dated 24th May 2016 has dismissed the petition stating that the Land owner has already received sufficient compensation towards the damages. **Current Status**: Case is currently fixed for respondent's evidence on 13th April 2023.	0.60

Source: Investment Manager

Appendix 8.15: PrKTCL: Summary of Ongoing Litigations (5/14)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
14	RoW - Criminal Suit	Khub Ram	Civil Judge, Sub Division Court, Gohar	**Background of the case**: Mr. Khub Ram and 23 others filed an application for registration of FIR against PrKTCL officials with allegation of forcibly construction of line and illegal cutting of trees, etc. FIR was registered against PrKTCL officials vide order dated 24th June 2019 under section 156(3) of CRPC. Police Station at Gohar has already recorded the statements of Company officials and applicants. Further action has been delayed due to COVID-19 lockdown. PrKTCL has submitted the relevant documents to Sub Division Court, Gohar. **Current Status**: Investigation completed and further proceedings held up due to COVID-19	Non Quantifiable
15	RoW - Criminal Suit	Jagat Ram	ACJM, Sundarnagar, District Mandi	**Background of the case**: Mr. Jagat Ram has filed an application for registration of FIR u/s 156(3) of CRPC against State of HP but the application converted to section 202 of CRPC vide order dated 13th August 2019. PrKTCL is not a party in this case so far. **Current Status**: Case is fixed for consideration for 22.12.2023.	Non Quantifiable
16	RoW - Civil (RSA)	HPSEBL (Appellant)Bhim Singh (Respondent)	High Court, Shimla	**Background of the case**: HPSEBL has filed this second appeal before the High Court, Shimla against the Order of the First Appellate Court (ADJ, Mandi) dated 30.08.2019 which confirmed the Order of the Subdivision Court, Gohar where the Civil Judge addressed the issues on compensation and decreed the suit for a sum of INR 0.75 million with interest @7.5% p.a. against HPSEBL & directed HPSEBL to pay the same to the Legal Representatives of the deceased Champa Devi, who died of electrocution on 27.06.2014 because of negligence on the part of HPSEBL, and not on PrKTCL, as has been claimed by HPSEBL in their arguments. Claim is not against PrKTCL. However, claim is uncertain as plaint copy not received. PrKTCL is a proforma defendant. **Current Status**: Case was disposed on 23rd July 2021. However, on 26 October 2021 it got reopened. Case was last heard on 23rd December 2022. Next Date of hearing is not notified.	Non Quantifiable

Source: Investment Manager

Appendix 8.15: PrKTCL: Summary of Ongoing Litigations (6/14)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
17	RoW - Civil Suit	Roop Laal/Ranjeet	Civil Judge, District Court, Bilaspur	**Background of the case**: Plaintiff (Roop Laal/Ranjeet) filed a Civil Suit u/s 37/38 of the Specific Relief Act to restrain PrKTCL from Tower line construction activities, passing current through line and tree cutting. That PrKTCL has done forcible construction, threatening, not taking prior permission/serving notice and No compensation assessment by forest and District Administration before installing the line and also not followed proper procedure. PrKTCL submitted it's reply to the written statement of the petitioner. It also submitted that it is conferred with Telegraph Authority powers, hence it is empowered as transmission licensee to lay towers by paying the crop compensation with respect to the duly laid down process. After all proceedings and hearing the main suit was disposed off on 26th Feb 2018. The plaintiff registered application for restoration on 23 April 2018 U/O 9 Rule 9 CPC. PrKTCL submitted it's reply to the restoration. **Current Status**: Now case of Roop Lal and Ranjeet is fixed for consideration on 9th November 2023.	Non Quantifiable
18	RoW - Criminal Suit	Bagga Ram	Civil Judge, District Court, Bilaspur	**Background of the case**: Mr. Bagga Ram registered an FIR against PrKTCL vide order dated 20th August 2019 under section 156(3) of CRPC. As case is filed under section 156(3) of CRPC, PrKTCL is not a direct party in case as of now and no documents pertaining to the case have been provided. PrKTCL has submitted the necessary documents to Police Station, Nalagarh. **Current Status**: Presently, the Investigation is under progress	Non Quantifiable

Source: Investment Manager

Appendix 8.15: PrKTCL: Summary of Ongoing Litigations (7/14)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
19	RoW - Civil Suit (Revision)	Mr. Rupinder Pal	High Court, Chandigarh	**Background of the case**: PrKTCL has filed a revision petition . PrKTCL submitted that it has carried out construction as per the approval received under Section 164 of Electricity Act 2003. As per the provision 10(D) of Telegraph Act 1885 user agency not required to purchase land. Conditions considered by ADJ., District Court while awarding land compensation to the plaintiff i.e. 'MOP letter on methodology of payment of land compensation' dated 15th October 2015 has not been adopted by the State of Punjab. Delayed filing of enhancement demand for crop and trees compensation. Consideration taken and documents submitted (MOP letter dated 15th October 2015) for claiming land compensation are beyond pleading. Reply is yet to be filed by Respondent (Rupendra Pal Singh). **Current Status**: The cases is fixed for arguments on 15.11.2023	Non Quantifiable
20	RoW - Civil Suit (Writ Petition)	Mr. Rupinder Pal	High Court, Chandigarh	**Background of the case**: Mr. Rupinder Pal Singh has filed a CWP under Articles 226/227 of Constitution of India for enhancement of the inadequate compensation granted against judgement/order dated 31st May 2019 by ADJ SBS Nagar and they prayed in their petition for modification of earlier order passed by ADJ SBS Nagar. Plaintiff has also demanded the market value of land in place of Collectorate. Execution petition was filed by Petitioner towards award of INR 0.31 million passed by District Court Nawashhar on 4th February 2020. PrKTCL is yet to file the reply. **Current Status**: PrKTCL yet to file the reply.	Non Quantifiable
21	RoW - Civil Suit (Revision)	Hardev Singh	High Court, Chandigarh	**Background of the case**: Mr. Hardev Singh has filed a petition under the provisions of the Telegraph Act for compensation for land and enhancement of crop and trees compensation. Plaintiff has claimed that he is entitled for a compensation of for land and trees. PrKTCL submitted that the suit is not maintainable before this court as according to Section 16.3 of Telegraph Act, 1885, District Court is competent to determine compensation. Also, PrKTCL duly paid compensation towards damaged crop and felled trees. Plaintiff has claimed in it's petition has claimed that Transmission Tower has been installed on his land situated at Ropar. It is claimed that Poplar Trees have been cut and removed by respondent and Payment made by Respondent has been received by Plaintiff under protest but land compensation has not been provided by the Respondent. The compensation paid is not acceptable to the petitioner. Further, the petitioner claimed that he cannot plant trees and do any construction, install tubewell, etc. at the location. PrKTCL submitted that the Poplar Trees were cut and taken in possession by the Plaintiff and not by PrKTCL. Compensation amount for affected crop was received in 3 phases by the Plaintiff without any protest (Compensation amount was determined after taking the rates as determined by the Government Department). It was clarified that the land was not acquired and only the right to access was acquired for carrying out necessary work. PrKTCL has filed revision in the High Court of Punjab and Haryana at Chandigarh on 27th July 2020 against award passed by District Court, Rupanagar vide order dated 29th March 2019. PrKTCL filed a revision petition that it carried out construction as per the approval received under Section 164 of Electricity Act, 2003. As per provision 10(d) of Telegraph Act 1885, user agency is not required to purchase land. **Current Status**: The matter is fixed for arguments on 01.02.24	1.36

Source: Investment Manager

Appendix 8.15: PrKTCL: Summary of Ongoing Litigations (8/14)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
22	RoW - Special Leave Petition	Satish Seth & Others Vs. State of HP & Others/ Satish Seth & Others Vs State of HP & Others/A K Sharma & Others Vs. State of HP & Others	Supreme Court	**Background of the case**: PrKTCL filed a Special Leave Petition (SLP) for admission and IR and exemption from filing C/C of the impugned Judgement. Respondents in the matter had approached the Local Police Station for lodging a complaint under various provisions of CrPC. The Respondents in the matter had approached the Jd. Magistrate, District Court Bilaspur under Section 156(3) of CrPC seeking directions to SHOs of concerned Police Station for Registration of FIR. Police filed FIR under various sections of IPC, Section 15 of Environment (Protection Act),1986 and Section 41 and 42 of Indian Forest Act, 1927. PrKTCL approached High Court of Himachal Pradesh, Shimla under Section 482 of CrPC for squashing of FIR vide a petition. High Court of HP vide order dated 16th May 2019 held the directions of Jd. Magistrate ordering registration of FIR against PrKTCL. It was also recorded that the FIR need to be investigated thoroughly by the police. PrKTCL approached Supreme Court of India against the order dated 16th May 2019 passed by High Court of HP in 2015. (There are 3 separate cases with similar background) **Current Status**: The next date of hearing is not notified.	Non Quantifiable
23	RoW - Civil Suit	Tulsi Ram	Civil Judge District Judge Bilaspur	**Background of the case**: Mr. Tulsi Ram had filed a suit CS 16/2017 of mandatory injunction against PKTCL on 22.06.2018 , which was disposed /settled in Lok Adalat on 30.11.2019. Now, the petitioner has filed a separate suit 02/2020 u/s 16 (3) of Indian Telegraph Act claiming tree and fruit compensation to the tune of INR 0.5 million. PKTCL had received summon to appear in court on 08.12.2020 and on the same day vakalatnama /Power of attorney submitted in court. The Power of Attorney was submitted on the same day. The defendant stated that the present application is not bonafide, as the dispute of compensation has already been decided by the Lok Adalat vide order dated 30.11.2019. Also stated in the reply that the suit is time barred, and not maintainable and the plaintiff/applicant has not valued the suit appropriately for the purposes of court fees. **Current Status**: The case is fixed for For Petitioner's Evidence 06.12.2023	0.50
24	RoW - Civil Suit	Ravinder Singh	High Court, Chandigarh	**Background of the case**: The Chandigarh High Court, vide order dated 19.02.2020, sent the matter back to the learned Additional District Judge,Ropar for re-consideration. In compliance with the order of the High Court, the Additional District Judge,Ropar disposed off the matter on 14.10.2021 in favor of Plaintiff. This Civil Revision Petition is filed by PrKTCL against awarded passed by the ADJ court of .Rs.6,42,072- based on following points: 1. EX Forest Officer, Sh. Balwinder Singh prepared a report with regards to poplar trees. The report was not a part of the petition filed by Petitioner. 2. The Court did not explain the rationale for awarding compensation for diminishing value of land as under the telegraph act the Company does not acquire any land. **Current Status**: The High Court vide Order dated 01.11.2022 granted a stay on payment of the enhanced compensation to the Respondent (Ravinder Singh). The case is fixed for arguments on 6th November 2023.	0.82

Source: Investment Manager

Appendix 8.15: PrKTCL: Summary of Ongoing Litigations (9/14)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
25	RoW - Civil Suit	Prem Lal	High Court, Chandigarh	**Background of the case**: Execution Petition filed by Petitioner (Prem Lal) towards award of Rs. 07,97,845/- passed by Additional Distt Counterpart against Case no: CM No:6845 of 2013 & Tele Act 04 of 2021 on 14.10.2021. Petition CM/6845/2013 filed under provisions of Telegraph Act(1885) Section 16(3) and 10 of Electricity(Supply Act) for compensation for land and enhancement of crop and trees compensation. Case disposed on 14.10.21. Filed Petition by the Plaintiff has been allowed. Execution Petition filed by Plaintiff. **Current Status**: The Matter is listed for Consideration on objections filed by PrKTCL 05.12.2023	0.80
26	RoW - Civil Suit	Prem Lal	District and Session Courts, Rupnagar	**Background of the case**:Execution Petition filed by Petitioner (Prem Lal) towards award of Rs. 07,36,417/- passed by Additional Distt Counterpart against Case no: CM No:6795 of 2013 & Tele Act 05 of 2021 on 14.10.2021. Petition CM/6795/2013 filed under provisions of Telegraph Act(1885) Section 16(3) and 10 of Electricity(Supply Act) for compensation for land and enhancement of crop and trees compensation. Case disposed on 14.10.21. Filed Petition by the Plaintiff has been allowed. Execution Petition filed by Plaintiff. **Current Status**: Objection by PrKTCL to be filed on 30.05.2022. The matter is listed for Consideration on objections filed by PrKTCL 05.12.2023	0.70
27	RoW - Civil Suit	Jetha Singh	District and Session Courts, Rupnagar	**Background of the case**:Execution Petition filed by Petitioner (Jetha Singh) towards award of Rs. 05,27,982/- under provisions of Telegraph Act(1885) Section 16(3) and 10 of Electricity(Supply Act) for compensation for land and enhancement of crop and trees compensation. Case disposed on 14.10.21. Filed Petition by the Plaintiff has been allowed. Execution Petition filed by Plaintiff. **Current Status**: The matter is For Consideration on objections filed by PrKTCL 15.12.2023	0.50

Source: Investment Manager

Appendix 8.15: PrKTCL: Summary of Ongoing Litigations (10/14)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
28	RoW - Civil Suit	Amarnath	Civil Judge, District Court, Ropar	**Background of the case**: Mr. Amarnath has filed a petition under the provisions of the Telegraph Act for compensation for land and enhancement of crop and trees compensation. Plaintiff has claimed that he is entitled for a compensation of for land, trees and for wheat crop may be awarded. PrKTCL submitted that the suit is not maintainable before this court as according to Section 16.3 of Telegraph Act, 1885, District Court is competent to determine compensation. Also, PrKTCL duly paid compensation towards damaged crop. Plaintiff has claimed in it's petition has claimed that Transmission Tower has been installed on his land situated at Ropar. It is claimed that Poplar Trees have been cut and removed by respondent and wheat crop has been totally damaged in the land. Payment made by Respondent has been received by Plaintiff under protest but land compensation has not been provided by the Respondent. The compensation paid is not acceptable to the petitioner. Further, the petitioner claimed that he cannot plant trees and do any construction, install tubewell, etc. at the location. PrKTCL submitted that the Poplar Trees were cut and taken in possession by the Plaintiff and not by PrKTCL. The same is reflected in valuation form jointly signed by petitioner and PrKTCL. Compensation amount for affected crop was received in 3 phases by the Plaintiff without any protest (Compensation amount was determined after taking the rates as determined by the Government Department). It was clarified that the land was not acquired and only the right to access was acquired for carrying out necessary work. After hearing the matter ADJ, District Court, Rupnagar vide order dated 18th Feb 2020 awarded compensation of INR 0.8 million in favour of the petitioner. (Case no. Tele/1/2016). The case was directed back to the district court by the high court as per the order dated 25th April 2022. **Current Status**: The Case was fixed For Arguments 09.11.2023	Non Quantifiable

Source: Investment Manager

Appendix 8.15: PrKTCL: Summary of Ongoing Litigations (11/14)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
29	Regulatory	NTPC Vs. CERC, PrKTCL and Others (2 separate cases)	Appellate Tribunal for Electricity	**Background of the case**: PrKTCL filed tariff petition seeking annual transmission charges of Koldam - Ludhiana Line. Provisional Tariff order received from CERC on 23.12.2014 with CERC allowing 80% of Claimed tariff from the claimed date of charging i.e. from 07.08.2014 for Ckt-I and 14.08.2014 for Ckt-II. Final order was received from CERC on 19.12.2016 with CERC declaring both Ckts commissioned w.e.f. 31.03.2015 (i.e. date of power flow). PrKTCL was allowed to recover only IDC and IEDC from NTPC for the Differential Period (Period from date of idle charging of line to date of actual power flow) from NTPC. PrKTCL filed Review Petition (09/RP/2017) against final order issued in 312/TT/2014 seeking 100% Tariff for the Differential period. NTPC filed Review Petition (08/RP/2017) against final order praying to set aside the order dated 19.12.2016 to the extent it holds NTPC liable for delay and liable to pay IEDC and IDC for the differential period to PKTCL. CERC vide order dated 24.07.2019 in Review Petitions granted tariff from the claimed date of charging i.e. 07.08.2014 for Ckt-I and 14.08.2014 for Ckt-II, however, the tariff for the differential period i.e. above mentioned date to 30.03.2015 was to be recovered from NTPC and under POC from 31.03.2015 onwards. Based on orders received from CERC in Review Petition, PrKTCL raised invoice on NTPC through CTU (PGCIL). NTPC has approached Appellate Tribunal for Electricity (APTEL) against CERC order in Review Petitions as well as CERC Final Order in Tariff Petition 312/TT/2014. NTPC has also filed an appeal (Interlocutory Application No. 210 of 2020) with APTEL seeking stay on Invoice raised by PrKTCL based on CERC. Matter being heard in APTEL. (There are 2 separate cases with similar background) **Current Status**: IAs were last heard on 6.12.2022 and the order was reserved. PrKTCL through IA prayed for issuance of directions to the appellant to make the payment of the invoice raised through CTU.However, order against such IA was pronounced on 22.12.2022 & dismissed in favour of NTPC. Main petition will now be taken up for hearing. IA Nos. 410/2023 , 411/2023, 412/2023 & 413/2023 filled on 1.3.2023 for modification /clarification of IAs interim order dated 22.12.2022. IAs heard on 24.3.2023 to clarify the order passed by this Tribunal earlier on 22.12.2022 more particularly the observations in paras 24 to 27 and 29 of the order. The Aptel observed that the law itself mandates the observations in an IA to be tentative, and to remain in force only till the main appeal is finally heard and decided. Now, appeal will be included in the List of Finals, of Court– I, to taken up from there in its turn.	136.37 (Plus interest)
30	Regulatory	LTTCs	CERC	**Background of the case** :Petition under Section 79(1) (k) of the Electricity Act, 2003 read with Regulation 8 (7) of the Central Electricity Regulatory Commission (Grant of Connectivity, Long Term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009 seeking permission for injection of infirm power beyond 31.7.2022 in case of Parbati II Hydroelectric Project (800MW). **Current Status:** Commission while disposing the order (on 06.03.2023) allowed injection of infirm power into the grid for commissioning tests including full load testing of all four units of the generating station up to 31.12.2023 and NHPC shall make all efforts to commission the project by December, 2023 as submitted and further clarified that extension of time granted as above shall not automatically entitle the Petitioner for IEDC/IDC for the delay in declaration of COD from the scheduled COD, which shall be decided separately in accordance with the relevant provisions of the Tariff Regulations.	NIL

Source: Investment Manager

Appendix 8.15: PrKTCL: Summary of Ongoing Litigations (12/14)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
31	Regulatory	NHPC Vs. CERC, PGCIL, and Others	APTEL	**Background of the case**: CERC issued Tariff Order in on 26.05.2015 for PGCIL assets related PKTCL line. NHPC filed Review Petition. The Commission vide order dated 29.12.2015 allowed the Review Petition of NHPC and directed to reopen the Petition. PGCIL filed Review Petition No.19/RP/2015 against order dated 26.5.2015 praying for approval of COD of Asset-II and grant of tariff. The Commission allowed the Review Petition No. 19/RP/2015 of PGCIL vide order dated 7.9.2016 observing that the tariff for Asset-II would be allowed after receipt of information from PGCIL. Petition No. 91/TT/2012 was re-opened in terms of order dated 29.12.2015 in Review Petition No. 25/RP/2015. After hearing the parties, the Commission vide its order dated 21.7.2016 in Petition No. 91/TT/2012 held that transmission charges from 1.8.2013 to 23.3.2014 shall be borne by NHPC. NHPC filed Appeal (Appeal No. 281 of 2016 and 81 of 2017) against orders issued by CERC in 91/TT/2012 granting 100% transmission charges to PGCIL to be recovered from NHPC for a period between idle charging to date of power flow for PGCIL Transmission Line elements, PKTCL was also made party in the matter as PKTCL assets associated in the scheme were also involved. APTEL in the course of hearing identified that a similar matter of PKTCL is also being heard in CERC with same precedence and also involves PGCIL. Accordingly APTEL judgement dated 16.07.2018 in Appeal No. 281 of 2016 and 81 of 2017 directed CERC freshly carry of out complete / comprehensive adjudication and reconsideration on 91/TT/2012 and 156/TT2015 along with its review petitions. Based on the judgment of APTEL, CERC vide order dated 12.12.2018 in Review Petitions (04 and 15 of 2017) reopened the main petition 156/TT/2015 of PKTCL merging it with PGCIL petition 91/TT/2012 for fresh consideration disposing off both the review petitions. CERC issued revised Order in Case No. 91/TT/2012 on 05.02.2020. NHPC has approached APTEL against Final Order Issued in the Petition. APTEL disposed of the IA No. 1214 and IA 569 both of 2020 filed for urgent listing and application for interim relief in hearing dated 01.10.2020. NHPC in the hearing dated 01.10.2020 agreed to pay the principal amount of INR 74.78 million subject to restitution with interest in the event of the NHPC being successful in this appeal. **Current Status**: The appeal has been admitted by APTEL. This appeal is already included in the "List of Finals" and shall be taken up for final hearing in its turn. Next Hearing Schedule is awaited.	747.84

Source: Investment Manager

Appendix 8.15: PrKTCL: Summary of Ongoing Litigations (13/14)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
32	Regulatory	LTCC and Others	CERC	**Background of the case**: PrKTCL filed a Petition for Approval under Regulation-86 of CERC (Conduct of Business) Regulations, 1999, CERC (Term and conditions of Tariff), Regulations, 2014 and CERC (Terms and Conditions of Tariff) Regulations, 2019 for: i. Approval of Truing up of Transmission Tariff for 2014-19 Tariff Block and ii. Determination of Transmission Tariff for 2019-24 Tariff Block for transmission line elements covered under the Transmission Project of Parbati Koldam Transmission Company Limited. **Current Status**: PrKTCL filed IA 6/2022 seeking to refund the excess tariff recovered from the beneficiaries from 1.04.2014 to 30.09.2021 and commission vide order dated 29.03.22 gave liberty to the Petitioner to refund the same and disposed off IA 6/2022. Petition for approval of truing up was heard on 20.12.2022 & reserved. CERC has sought additional documents and information vide ROP dated 20.12.2022. Additional information submiitted on 1.2.2023 and now Follow up is being done with CERC for timely disposal of final order.	1) Proposed capital cost of project Rs. 945 Crore at end of March 31, 2024. 2) Refund of tariff amount of Rs. 46.08 Crore (as on 30.09.2021), after considering the impact of Re-financing, along with interest of Rs. 9 Crore
33	Regulatory	Protocols CERC	APTEL	**Background of the case**: Appeal on 21.11.2022 challenging CERC's findings in (i) Order dated 09.02.2021 in Petition No. 156/TT/2015 and (ii) Review Order dated 07.09.2022 in RP No. 03/RP/2022 (to the extent of fresh findings) along with IA filed for condonation of delay in filing the Appeal. **Current Status**: Aptel vide order dated 21.03.2023 has condoned the delay of 605 days (from Original Order) and 30 days (from Review Order) for filing the Appeal and Admitted the Appeal and Directed Respondents to file Reply to Appeal within 4 weeks. PKTCL to file Rejoinder two weeks thereafter. After completion of pleadings matter will be placed in the List of Finals.	25.70

Source: Investment Manager

Appendix 8.15: PrKTCL: Summary of Ongoing Litigations (14/14)

Sr. No.	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
34	RoW - Civil Suit	Bhim Singh/Chetru /Jiva Nand/Jassa Ram/Bali Ram/Bhoop Singh/Khub Ram/Bihari Laa	Court of Civil Judge, Chachiot, Gohar, Mandi	**Background of the case**: Plaintiffs (Bhim Singh/Chetru/Jiva Nand/Jassa Ram/Bali Ram/Bhoop Singh/Khub Ram/Bihari Laal/Lalu) appeal and application under Section 39(1&2) of CPC. That defendant must execute the lease agreement or monthly rent or acquire the suit land. That defendant must be restrained from passing electricity through the transmission line structures until the defendant executed the monthly rent agreement. PrKTCL submitted that it is a transmission licensee duly approved by CERC and has been empowered with Telegraph Authority u/s 164 of Indian Electricity Act, 2003. It is empowered to place and maintain power line over and along over across any immovable property. Plaintiff appealed that a temporary injunction under Rule 39 (1&2) of CPC may be granted restraining the respondent from passing electricity through the transmission line structure. PrKTCL submitted that the Plaintiff is not entitled for any relief which will affect the defendant irreparably which would also amount to a great loss to the public at large. **Current Status**: The matters are currently pending and fixed for reply/consideration at specific dates.	Non Quantifiable
35	RoW - Civil Suit	Labh Singh/Manohar Laal	Court of Civil Judge, Chachiot, Gohar, Mandi	**Background of the case**: The Application is made for restoration of Case no: 34/2017, dismissed in default on 01.10.2022. Plaintiff's (Labh Singh/Manohar Laal) appeal & Application under section 39 (1&2) of CPC. That plaintiff's residential house is under/near the transmission line and plaintiff is observing electricity shocks/induction due to overhead wires. That Defendant installed the towers without complying the safe clearance norms from the residential premises. That Defendant has forcibly erected that transmission line and has not executed any valid lease agreement nor acquired the suit land. That the Defendant has not maintained minimum required vertical/horizontal clearance from the residential structures. **Current Status**: The case is fixed for Application filing on 17.11.2023 (Labh Singh) & for rejoinder on 18.11.2023 (Manohar Laal)	Non Quantifiable

Source: Investment Manager

Appendix 8.16: ISPL 1 : Summary of Ongoing Litigations

Sr. No	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
1	Indirect Tax	Indirect Tax Department	Assistant Commissioner, DVAT	**Background Of The Case:** Demand of CST due to non-availability of C forms.Assessing authorities had imposed tax & interest due to non-submission of certain declaration forms pending to be received mainly from JTCL, MP, JTCL, CG and BDTCL, MP. The Company has filed the objection against the order in the month of July, 2020.The Company has obtained several adjournments till date in this regard as the forms were not collated. In the month of September,20 20, C forms from JTCL-MP and BDTL- MP has been collated, and C- Forms from JTCL-CG are still pending to be received. On receipt of entire C forms, the same will have to be submitted before the Appellate Authorities and request for request for setting aside of the demand raised in the assessment order.	17.99

Source: Investment Manager

Appendix 8.17: ISPL 2 : Summary of Ongoing Litigations

Sr. No	Matter	Against	Pending Before	Details of the case	Amount Involved (INR Million)
1	Direct Tax	Income Tax Department	AO	**Background of the case:** Addition of Rs 10,79,941 not adjusted against the brought forward unabsorbed depreciation. The said demand is erroneous as the addition accepted by the Assessee in 143(1) intimation is to be adjusted against the unabsorbed depreciation **Current Status:** ISPL 2 has filed rectification application with AO for deleting the said demand.	0.29
2	Regulatory	SECI	CERC	**Background of the case:** Petition filed under GST Change in Law provisions of PPA (2 cases combined), seeking claim towards introduction of GST as CIL event, the claimed amount is Rs. 7.96 Cr plus the carrying cost till date of actual payment. Petition has been registered by CERC on 9.12.2022. The petitioner has impleaded the end beneficiaries on 14.3.2023. The matter listed for hearing on 21.3.2023. The commission directed to issue notice on the aspect of limitation as preliminary issue. The Respondents were directed to file their response on the aspect of limitation within three weeks with copy to the Petitioner who may file its rejoinder thereof within three weeks thereafter. **Current status:** Matter is reserved for orders	160.80
3	Regulatory	Pool Participants (253 Nos.)	CERC	**Background of the case:** Specific Directives for payment of DSM Charges. NLDC has observed default and irregularity in payment of DSM Charges by Pool participants. Hence, aggrieved by this, NLDC/POSOCO filed Petition before CERC seeking specific directives as under: (a) Directing all defaulting Respondents to pay weekly DSM Charges regularly within 10 days from issue of bills (b) Directing all Respondents to open LC (c) To empower RLDCs to initiate regulatory measures to deal with persistent default in payment of regulatory charges (d) To allow RLDC to regulate /to restrict scheduling of defaulting entities in a graded manner **Current status:** The next hearing in the matter is yet to be scheduled. Petition not related to Logged in user.	Non Quantifiable

Source: Investment Manager

Appendix 8.18: TNSEPL : Summary of Ongoing Litigations-

Sr. No	Matter	Title	Pending Before	Details of the Case	Amount Involved (INR Million)
1	Regulatory	TANGEDCO (Tamil Nadu Electricity Board) Vs. National Solar Energy Federation of India (NSEF on behalf of TNSPEPL, UMD, Terralight Kanji and Terralight Rajapalayam)	Supreme Court of India	**Background of the case** TNERC's Order dated 25 March 2019 Certain back down instructions were issued by the SLDC to UMD, TKSPL, TN Solar and TRSPL (VRET Assets) and no compensation for deemed generation compensation was paid by the SLDC or TANGEDCO (Tamil Nadu Electricity Board) for the period corresponding to the backed down generation. Such backdown instructions were challenged by the NSEFI on behalf of solar power generators, including VRET Assets before the TNERC. The TNERC held that the SLDC should not resort to back down instructions without recording specific reasons and since the underlying PPAs did not contain any provision in relation to payment of any compensation for deemed generation, no deemed generation can be granted. NSEFI's Appeal before the APTEL [Appeal 197/2019] The NSEFI filed an appeal that such back down instruction should not be issued and the compensation for the back down should also be considered. APTEL's Order dated 2 August 2021 The APTEL, in its order dated 2 August 2021, held that compensation for deemed generation should be paid for any curtailment / backdown ordered other than for grid security reasons. **Current status:** In accordance with the APTEL's order, invoices for deemed generation until 30 June 2017 have been raised and further calculations for the balance period (post 30 June 2017) have been submitted to NSEFI for calculations. TANGEDCO the present civil appeal 2572 of 2022 against the APTEL order dated 2 August 2021 before the Supreme Court. Matter has not been listed for hearing since 16.03.2023.	Non Quantifiable
2	Regulatory	TNSPEPL, UMD, Terralight Kanji and Terralight Rajapalayam Vs TNERC, TNSLDC TNGDCL and the State of Tamil Nadu	Principal Bench of Madras High Court	**Background of the case:** The writ petition contends that Tamil Nadu Forecasting and Scheduling (TN F&S) Regulations violate Article 14 due to arbitrariness. Key objections include treating renewable energy projects like wind and solar equally with conventional thermal power stations,which is not fair since the renewable energy sources cannot predict the impact of weather, implementing a narrow error band of +/-10% compared to other renewable energy rich states as well as Forum of Regulations (FOR)(+/-15%) , and lacking provisions for state-level aggregation of generation schedules and reasonable penalties. **Current status:** The petition has been admitted and replies to the writ petition has been filed by TNERC and Tamil Nadu SLDC. Rejoinder on behalf of SPVs have been filed.The matter is yet to be listed for hearing. Matter has not been listed for hearing since 03.08.2022	Non Quantifiable

Source: Investment Manager

Appendix 8.19: TL Kanji : Summary of Ongoing Litigations-

Sr. No	Matter	Title	Pending Before	Details of the Case	Amount Involved (INR Million)
1	RoW	Government Vs Teralight Kanji Solar Pvt. Ltd. Executive Representative Rohit Kumar	Assistant Inspector General, Stamp [Revenue Court's Computerized Management System RCCMS on RCCMS Portal]	**Background of the case :** In the Lalitpur project acquisition through a slump sale, Jakson Power Private Limited (JPPL) and TL Kanji executed a sale deed, with JPPL paying the initial stamp duty as per the agreement . Subsequently, government authorities initiated legal proceedings against TL Kanji, alleging a deficit stamp duty on the grounds that the solar modules and generators installed on the project land were not considered while calculating and paying the stamp duty. . Per the business transfer agreement, JPPL is obligated to pay the adequate stamp duty and indemnify TL Kanji for any loss resulting from its breach. TL Kanji has notified JPPL, which is now managing the defense of the matter as per the agreement.	Non Quantifiable
2	RoW	Baskaran Vs. Aruna and 19 Others	District & Session Court, Tiruvannamal	**Background of the case:** A Legal Summon from District & Session Court, Tiruvannamal was received on March 12, 2021, in a civil claim matter filed by a family member of seller of the land parcel claiming his rights over 3.0 acres of land in Survey No. 7/1 at 30 MW Tiruvannamali site of the Company. **Current status:** Vakalathnama (a written document submitted to the court by a lawyer stating his clients have authorised him to represent them) that has been submitted to session court to empower Mr. Murali, Advocate and the reply has been filed. On 30.20.2023, Plaintiff filed a memo to bring the legal representative of Defendant No.8 on record. Memo has been recorded. Steps for filing amendment petition to be initiated before the next date of hearing.	Non Quantifiable
3	RoW	Gaon Sabha V. Jakson Power Plant Private Limited	Revenue Court, Lalitpur, Uttar Pradesh	**Bacground of the case:** TKSPL received a notice from the Office of the Tehsildar, Lalitpur, at its Lalitpur plant for encroachment for certain land parcels. Vide the notice, the Tehsildar directed removal of illegal occupation and further demanded payment of compensation for misappropriation of land. **Current status:** TKSPL to undertake factual assessment of whether the concerned land parcels form a part of the project. Vakalatnama (a written document submitted to the court by a lawyer stating his clients have authorised him to represent them) has been filed. TKSPL has sought time to file its reply. Next date of hearing is 04.12.2023.	Non Quantifiable

Source: Investment Manager

Appendix 8.20: TLRaj: Summary of Ongoing Litigations-

Sr. No	Matter	Title	Pending Before	Details of the Case	Amount Involved (INR Million)
1	RoW	SPICCPL Matter is only of academic interest. SPV is not connected to the Matter.	Madras High Court	**Background of the Case:** SPICCPL has challenged DGTR's findings and the Ministry of Finance's notification imposing safeguard duty on imports of solar cell and modules through a writ petition in the Madras High Court. An interim application sought removal of duty on goods imported on August 2, 2018, leading to a stay granted by the Madras High Court based on the Orissa High Court's order dated July 23, 2018 . SPICCPL was directed to execute a bond for the release of imported goods. The company anticipates no operational impact, and there's unlimited indemnity for any losses due to safeguard duty. **Current Status:** Madras High Court has vacated the DGTR Order and thereafter there has been no-update on the matter.	Non Quantifiable

Source: Investment Manager

Appendix 8.21: Solar Edge: Summary of Ongoing Litigations-

Sr. No	Matter	Against	Pending Before	Details of the Case	Amount Involved (INR
1	Regulatory	Maharashtra Electricity Regulatory Commission and Others.	High Court of Bombay	**Background of the case:** Solar Edge filed a writ petition on December 15, 2020, against the Maharashtra Electricity Regulatory Commission (MERC) challenging the Maharashtra F&S Regulations. The petition cites the regulations as arbitrary and violating Article 14. Solar Edge objects to charges on renewable projects unrelated to grid security. While MERC suspended state periphery charges, overall DSM charges persist, and have stablished a commission to review the representations from renewable IPPs.	Non Quantifiable
2	RoW	Mrs. Surekha Anil Patil Vs Dayaram Patil	Civil Judge, Junior Division at Muktainagar	**Background of the case:** In June, Solar Edge was included in a legal claim by Ms. Surekha Patil regarding Ghat No.169 (01 H 20), part of the Muktainagar project, purchased from Mr. Jeevan Ram Patel. Ms. Patil contends she did not sell the land to Mr. Patel but only provided it as loan security.	Non Quantifiable
3	RoW	The State of Maharashtra and Others	High Court of Bombay, at Aurangabad	Background of the case: Solar Edge acquired a 3.33-hectare land in Muktainagar for a solar project. A claim surfaced on June 10th from the heir of the previous owner, Mr. Magare, backed by a Maharashtra Revenue Tribunal award. Under the Securities Subscription Agreement with SP Group, responsible for Solar Edge's acquisition, they declined claim management. Following legal counsel, Solar Edge filed a writ petition in the Aurangabad High Court to contest the award. **Current status:** The order by Tehsildar has been stayed by the High Court and currently the matter is ongoing before the court. Vide Order dated 24.07.2023, the Court stated that the interim relief granted shall continue till the next date of hearing.	Non Quantifiable
4	RoW	Mahadev Sudhakar Gangane	Civil Judge, Junior Division, Parli Vaijnath	Background of the case: A neighboring farmer alleges encroachment on his land by another farmer, prompting a request for remeasurement to clearly define land boundaries for each owner . Solar Edge, owning Gut No 154, part of the contested area, is impleaded as a defendant in the dispute arising from the claimed encroachment on the larger parcel originally associated with Solar Edge's land. **Current status:** The matter was listed before the small causes court on January 28, 2022 and since all parties were not present, the Court issued summons. The summons has not been served on all the parties. Listed on 20.11.2023 for compliance with summons.	Non Quantifiable

Source: Investment Manager

Appendix 8.22: USUPL: Summary of Ongoing Litigations-

Sr. No	Matter	Title	Details of the Case	Amount Involved (INR Million)
1	RoW	Chikodia Vs. Motilal & Another	**Background of the case:** USUPL received summons related to a land dispute under the Uttar Pradesh Consolidation of Holdings Act, 1953, along with the Uttar Pradesh Consolidation of Holdings Rules, 1954. The dispute involves Gata/khasra nos. 67 and 150, owned by USUPL. However, detailed information is lacking as the copy of the Plaint has not been provided to USUPL **Current Status:** USUPL has appointed an Advocate in the captioned matter. The Vakalatnama and a preliminary reply shall be filed before the Revenue Court.	Non Quantifiable

Source: Investment Manager

Appendix 8.23: TL Charanka and PLG : Summary of Ongoing Litigations-

Sr. No	Matter	Title	Pending Before	Details of the Case	Amount Involved (INR Million)
1	Regulatory	Gujarat Urja Vikas Nigam Limited Vs. Gujarat Electricity Regulatory Commission	Supreme Court of India	**Background of the Case:** GERC through its order determined the tariff for procurement of power from Solar Energy develppers by Discoms. Time period of project is 25 years with capital cost of 16.5 Cr per MV with 70:30 debt- equity ratio. Tariff is INR 15 per unit for first 12 years and INR 5 per unit for remaining period.GUVNL, dissatisfied with the solar power tariff determined by GERC in 2010, filed a petition for revision, asserting that the assumed project cost of INR 16.50 crores per MW was overstated compared to actual costs. GERC dismissed the petition in 2013, citing untimeliness. GUVNL appealed to APTEL, seeking to set aside the order, but APTEL upheld GERC's decision in 2014. GUVNL further appealed to the Supreme Court in 2014, which hasn't stayed APTEL's order. Despite legal challenges, GUVNL, during due diligence, received a favorable opinion from Trilegal, indicating minimal chances of an adverse outcome, leading **Current Status:** The matter is currently pending before Supreme Court and has not been listed since 2017.	Non Quantifiable

Source: Investment Manager

Appendix 8.23: GGEL: Summary of Ongoing Litigations-

Sr. No	Matter	Title	Pending Before	Details of the Case	Amount Involved (INR Million)
1	Regulatory	Godawari Green Energy Limited Vs Rajasthan State Electricity Regulatory Commission and Others	Supreme Court	**Background of the case:** As per the PPA agreement the company is required to meet the annual MSO requirement of 98.550 Mn kWh and maintain CUF at 24.5% and 26.5% for a consecutive period 3 months during the contract year.In the event such obligations are not met, NVVN shall be entitled to a compensation equal to compensation payable by DISCOM's for not meeting their renewable purchase obligation (subject to a minimum of 25% of the tariff). The company has not been able to meet the requirements as the DNI has been lower than the assumed DNI at the time of bidding. The company has filed a petitition before CERC requesting an increase in tariff from INR 12.20 per kWh to inr 15.00 per kWh claiming that the lower DNI has resulted due to Force Majeure and the company should be given relief. The CERC ruled that the shortfall cannot be considered as a force Majeure event and increase in tariff cannot be granted. Also the NVVN needs demonstrate the amount payable for failure to meet RPO obligation The order has been challenged in front of APTEL seeking increase in tariff and it has been also challenged by NVVN to set aside the portion requiring them to demonstrate the RPO shortfall. **Current status:** APTEL allowed the GGEL Appeal of GGEL and directed CERC to formulate the mechanism for compensating the generators (including GGEL) against the reduction in DNI from the adopted value of DNI. The actual amount payable by NVVN on this account depends on the mechanism which will be formulated by the CERC. APTEL set aside the demand for liquidated damages on account of short supply of power by GGEL. NVVN has approximately deducted an amnount of 14 crores. After the filing of the Punjab Discom's appeal, Supreme court stayed the APTEL order. The amount of LD imposed has now been refunded . Respondent 1, 2, and 18 have filed counter affidavit. The Court granted two weeks time to the Appellant to serve the unserved Respondents. No Respondents have enetered appearance.	Non Quantifiable
2	Regulatory	Godawari Green Energy Limited Vs Rajasthan State Electricity Regulatory Commission and Others	APTEL	**Background of the case:** Multiple developers in Rajasthan filed writ petitions against RERC regulations notified by RERC. While the rajasthan High court upheld the constitutional validity of the DSM regulations, certain grievances were technical and therefore the rajasthan high court recommneded to approach RERC regarding the technical aspects. Thereafter the company filed a petition against RERC along with other develoeprs and the same was disposed off by RERC. Thereafter the company has made an appeal against the order on the grounds that the available capacity in DSM regulations contemplates only solar PV projects and not solar thermal projects and therefore they are not applicable to the project and the aggregation of scheduling should take place at the state level and there should be virtual pooling for the purposes of deviation settlement.	Non Quantifiable

Source: Investment Manager

ANNEXURE B

FINANCIAL STATEMENTS

Sr. No.	Particulars
1.	The independent auditors' reports and the unaudited interim condensed consolidated financial statements of India Grid Trust as at and for the half year ended September 30, 2023, and audited consolidated financial statements of India Grid Trust as at and for the fiscal years ended March 31, 2023, March 31, 2022 and March 31, 2021.
2.	The independent auditors' reports and the unaudited interim condensed standalone financial statements of India Grid Trust as at and for the half year ended September 30, 2023, and audited consolidated financial statements of India Grid Trust as at and for the fiscal years March 31, 2023, March 31, 2022 and March 31, 2021.

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Independent Auditor's Review Report on the Unaudited Interim Condensed Consolidated Ind AS Financial Statements of the Trust as at and for the half year ended September 30, 2023

The Board of Directors
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

We have reviewed the accompanying Unaudited Interim Condensed Consolidated Ind AS Financial Statements of India Grid Trust ("the Trust") comprising of the unaudited interim condensed consolidated balance sheet as at September 30, 2023, the related unaudited interim condensed consolidated statement of profit and loss, including other comprehensive income for the half year ended September 30, 2023, the unaudited condensed consolidated cash flow statement for the half year ended September 30, 2023, the unaudited condensed consolidated statement of changes in unit holders' equity for the half year ended September 30, 2023, the unaudited consolidated Statement of Net Assets at fair value as at September 30, 2023, the unaudited consolidated Statement of Total Returns at fair value, the unaudited Statement of Net Distributable Cash Flows ('NDCFs') of the Trust, the underlying Holding Companies ("HoldCos") and each of its subsidiaries for the half year ended September 30, 2023 and condensed notes to the consolidated financial statements, including a summary of material accounting policy information and other explanatory information of the Trust and its subsidiaries (together, "the Group") ("Unaudited Interim Condensed Consolidated Ind AS Financial Statements") attached herewith, being prepared by Indigrid Investment Managers Limited (the "Investment Manager").

Management's Responsibility for the Interim condensed Financial Statements

The Unaudited Interim Condensed Consolidated Ind AS Financial Statements, which are the responsibility of the Investment Manager and has been approved by the Board of Directors of the Investment Manager, have been prepared in accordance with the requirements of Indian Accounting Standard 34 (referred to as "Ind AS 34"), specified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standard) Rules, 2015 (as amended) and read with SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations") and other accounting principles generally accepted in India. These Unaudited Interim Condensed Consolidated Ind AS Financial Statements have been prepared solely in connection with raising of fund in accordance with Chapter 7 on 'Guidelines for preferential issue and institutional placement of units by listed InvIT' of SEBI master circular no. SEBI/HO/DDHS/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023, as amended from time to time ("SEBI Institutional Placement Guidelines") and the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended ("InvIT Regulations"). Our responsibility is to express a conclusion on the Unaudited Interim Condensed Consolidated Ind AS Financial Statements based on our review.

Scope of review

We conducted our review of the Unaudited Interim Condensed Consolidated Ind AS Financial Statements in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Unaudited Interim Condensed Consolidated Ind AS Financial Statements are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of Investment Manager personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Unaudited Interim Condensed Consolidated Ind AS Financial Statements includes the following entities:

i. Indigrid Limited
ii. Indigrid 1 Limited
iii. Indigrid 2 Limited
iv. Patran Transmission Company Limited
v. Bhopal Dhule Transmission Company Limited
vi. Jabalpur Transmission Company Limited
vii. Maheshwaram Transmission Limited
viii. RAPP Transmission Company Limited
ix. Purulia & Kharagpur Transmission Company Limited
x. NRSS XXIX Transmission Limited
xi. Odisha Generation Phase-II Transmission Limited
xii. East North Interconnection Company Limited
xiii. Gurgaon- Palwal Transmission Limited
xiv. Jhajjar KT Transco Private Limited
xv. Parbati Koldam Transmission Company Limited
xvi. NER II Transmission Limited
xvii. Indigrid Solar-I (AP) Private Limited (Formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited)
xviii. Indigrid Solar-II (AP) Private Limited (Formerly known as FRV India Solar Park-II Private Limited)
xix. Kallam Transmission Limited
xx. Raichur Sholapur Transmission Company Private Limited
xxi. Khargone Transmission Limited
xxii. Solar Edge Power and Energy Private Limited
xxiii. TN Solar Power Energy Private Limited
xxiv. Universal Mine Developers & Service Providers Private Limited
xxv. Terralight Kanji Solar Private Limited
xxvi. Terralight Rajapalayam Solar Private Limited
xxvii. Terralight Solar Energy Charanka Private Limited
xxviii. PLG Photovoltaic Private Limited
xxix. Terralight Solar Energy Tinwari Private Limited
xxx. Universal Saur Urja Private Limited
xxxi. Globus Steel and Power Private Limited
xxxii. Terralight Solar Energy Patlasi Private Limited
xxxiii. Terralight Solar Energy Nangla Private Limited
xxxiv. Terralight Solar Energy Gadna Private Limited
xxxv. Godawari Green Energy Private Limited

xxxvi. Teraralight Solar Energy SitamauSS Private Limited

xxxvii. Virescent Renewable Energy Project Manager Private Limited

xxxviii. Virescent Infrastructure Investment Manager Private Limited

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Unaudited Interim Condensed Consolidated Ind AS Financial Statements are not prepared, in all material respect, in accordance with the requirements of Indian Accounting Standard 34 (referred to as “Ind AS 34”), specified under Section 133 of the Companies Act, 2013 (“the Act”) read with Companies (Indian Accounting Standard) Rules, 2015 (as amended) and read with SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder (“InvIT Regulations”) and other accounting principles generally accepted in India, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matter – Restriction of use

This report on the Unaudited Interim Condensed Consolidated Ind AS Financial Statements has been issued solely in connection with the purpose specified in management responsibility paragraph above and its intended use and should not be used or referred or distributed for any other purpose.

For S R B C & CO LLP
ICAI Firm registration number: 324982E/E300003
Chartered Accountants

per Huzefa Ginwala
Partner
Membership No.: 111757
UDIN: 23111757BGYQNE4358
Place: Pune
Date: December 05, 2023

INDIA GRID TRUST
INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2023
(All amounts in Rs. million unless otherwise stated)

	Notes	30 September 2023 (Unaudited)	31 March 2023 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,96,029.54	1,77,771.54
Right of use asset	3a	181.93	179.26
Intangible assets	4	14,378.05	461.15
Goodwill	4	3,094.34	-
Capital work-in-progress	5	2,252.13	782.13
Financial assets			
i. Trade Receivables	10	251.35	-
ii. Other financial assets	7	3,588.77	2,673.94
Other non-current assets	8	635.70	530.50
Income tax assets (net)		679.63	496.02
		2,21,091.44	**1,82,894.54**
Current assets			
Financial assets			
i. Investments	6	6,790.65	4,462.46
ii. Inventories	9	248.78	53.71
iii. Trade receivables	10	5,780.03	4,180.21
iv. Cash and cash equivalent	11	6,902.76	3,153.19
v. Bank Balances other than (iv) above	12	3,897.39	3,883.54
vi. Other financial assets	7	3,487.76	3,339.58
Other current assets	8	212.35	156.59
		27,319.72	**19,229.28**
Total assets		**2,48,411.16**	**2,02,123.82**
EQUITY AND LIABILITIES			
Equity			
Unit capital	13	69,879.63	65,903.15
Other equity	14	(19,755.16)	(16,326.20)
Equity attributable to the Unit holder of parent		**50,124.47**	**49,576.95**
Non-controlling interests		868.12	827.89
Total unit holders' equity		**50,992.59**	**50,404.84**
Non-current liabilities			
Financial liabilities			
i. Borrowings	15	1,62,457.33	1,35,674.58
ii. Lease liabilities	16	95.12	93.30
iii. Other financial liabilities	18	314.96	311.58
Employee benefit obligations	19	44.79	11.46
Other non-current liabilities	20	19.09	-
Deferred tax liabilities (net)	21	3,528.92	958.19
		1,66,460.21	**1,37,049.11**
Current liabilities			
Financial liabilities			
i. Borrowings	15	24,454.46	9,256.73
ii. Lease liabilities	16	29.37	25.03
iii. Trade payables	17		
a. Total outstanding dues of micro and small enterprises		6.82	8.61
b. Total outstanding dues of creditors other than micro and small enterprises		858.19	740.74
iv. Other financial liabilities	18	4,742.07	4,207.80
Employee benefit obligations	19	11.91	18.89
Other current liabilities	20	831.56	412.07
Current tax liabilities (net)		23.98	-
		30,958.36	**14,669.87**
Total liabilities		**1,97,418.57**	**1,51,718.98**
Total equity and liabilities		**2,48,411.16**	**2,02,123.82**

Summary of material accounting policies 2.2

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 05 December 2023

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 05 December 2023

Urmil Shah
Company Secretary
Membership Number : A23423
Place : Mumbai
Date : 05 December 2023

Navin Sharma
Chief Financial Officer
Place : Mumbai
Date : 05 December 2023

INDIA GRID TRUST
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023
(All amounts in Rs. million unless otherwise stated)

	Notes	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
INCOME			
Revenue from contracts with customers	22	13,242.00	11,419.00
Income from investment in mutual funds		286.95	151.97
Interest income on investment in fixed deposits		164.20	103.15
Other finance income		0.17	0.53
Other income	23	53.92	149.15
Total income (I)		**13,747.24**	**11,823.80**
EXPENSES			
Employee benefit expenses	24	711.44	178.10
Insurance expenses		104.83	102.24
Infrastructure maintenance charges		162.08	176.03
Project management fees (refer note 32)		0.35	18.57
Investment management fees	25	590.02	221.19
Legal and professional fees		64.12	49.75
Annual listing fee		10.76	11.37
Rating fee		35.94	17.16
Valuation expenses		8.25	3.11
Trustee fee		11.85	6.00
Loss on sale of assets		0.19	-
Payment to auditors			
- Statutory audit fees		11.12	6.99
- Other services (including certification)		2.12	2.17
Other expenses	26	330.01	299.43
Depreciation and amortization expense	28	4,136.33	3,486.17
Finance costs	27	6,051.69	5,070.72
Total expenses (II)		**12,231.10**	**9,649.00**
Profit before tax and regulatory deferral income (III=I-II)		**1,516.14**	**2,174.80**
Regulatory Deferral expense (IV)		0.89	0.99
Profit before tax (V=III-IV)		**1,515.25**	**2,173.81**
Tax expense			
Current tax		55.21	61.83
Income tax for earlier years		(2.23)	0.16
Deferred tax		1.55	23.13
Tax expense (VI)		**54.53**	**85.12**
Profit for the period (V-VI)		**1,460.72**	**2,088.69**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income for the period		**-**	**-**
Total comprehensive income for the period		**1,460.72**	**2,088.69**
Profit for the period		**1,460.72**	**2,088.69**
Attributable to:			
Unit holders of the parent		1,402.27	2,031.77
Non-controlling interests		58.45	56.92
Other comprehensive income for the period		**-**	**-**
Attributable to:			
Unit holders of the parent		-	-
Non-controlling interests		-	-
Total comprehensive income for the period		**1,460.72**	**2,088.69**
Attributable to:			
Unit holders of the parent		1,402.27	2,031.77
Non-controlling interests		58.45	56.92
Earnings per unit attributable to unit holder of parent	29		
Basic and diluted (Including regulatory deferral income/expense) (in Rs.)		2.00	2.90
Basic and diluted (excluding regulatory deferral income/expense) (in Rs.)		2.00	2.90
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 05 December 2023

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 05 December 2023

Urmil Shah
Company Secretary
Membership Number : A23423
Place : Mumbai
Date : 05 December 2023

Navin Sharma
Chief Financial Officer
Place : Mumbai
Date : 05 December 2023

INDIA GRID TRUST
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN UNIT HOLDERS' EQUITY FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023
(All amounts in Rs. million unless otherwise stated)

A. Unit capital	Number of units (in millions)	Amount (in millions)
Balance as at 01 April 2022	**700.18**	**65,903.15**
Units issued during the period	-	-
Balance as at 30 September 2022	**700.18**	**65,903.15**
Units issued during the period	-	-
Balance as at 31 March 2023	**700.18**	**65,903.15**
Units issued during the period	30.80	4,035.00
Issue expenses	-	(58.52)
Balance as at 30 September 2023	**730.98**	**69,879.63**

B. Other equity	Attributable to unit holder of parent		Total other equity	Non-controlling interest
	Other comprehensive income	Retained earnings/ Accumulated deficit		
Balance as at 01 April 2022	**3.14**	**(11,724.03)**	**(11,720.89)**	**796.58**
Profit for the period	-	2,031.77	2,031.77	56.92
Other comprehensive income for the period	-	-	-	-
Less: Distribution during the period (refer note below)	-	(4,542.41)	(4,542.41)	
Balance as at 30 September 2022	**3.14**	**(14,234.67)**	**(14,231.53)**	**853.50**
Profit for the period	-	2,523.95	2,523.95	45.15
Other comprehensive income for the period	2.56	-	2.56	0.18
Less: Distribution during the period (refer note below)	-	(4,621.18)	(4,621.18)	(70.94)
Balance as at 31 March 2023	**5.70**	**(16,331.90)**	**(16,326.20)**	**827.89**
Profit for the period	-	1,402.27	1,402.27	58.45
Other comprehensive income for the period	-	-	-	-
Add: Acquisition of subisidiary	-	-	-	17.24
Less: Distribution during the period (refer note below)	-	(4,831.23)	(4,831.23)	(35.47)
Balance as at 30 September 2023	**5.70**	**(19,760.86)**	**(19,755.16)**	**868.12**

Note:

The distributions made by IndiGrid to its unitholders are based on the Net Distributable Cash Flows (NDCF) of IndiGrid under the InvIT Regulations and hence part of the same includes repayment of capital as well.

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 05 December 2023

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 05 December 2023

Urmil Shah
Company Secretary
Membership Number : A23423
Place : Mumbai
Date : 05 December 2023

Navin Sharma
Chief Financial Officer
Place : Mumbai
Date : 05 December 2023

INDIA GRID TRUST
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023
(All amounts in Rs. million unless otherwise stated)

	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
A. Cash flow generated from operating activities		
Net profit as per statement of profit and loss	**1,460.72**	**2,088.69**
Adjustment for taxation	54.53	85.12
Profit before tax	**1,515.25**	**2,173.81**
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization expense	4,136.33	3,486.17
Loss on sale of assets	0.19	-
Unrealized foreign exchange loss/(gain) on borrowing	-	53.23
Unrealized Mark to market loss / (gain) on mutual fund	(33.41)	(7.85)
Finance cost	6,051.69	5,017.49
Income from investment in mutual funds	(253.54)	(144.12)
Interest income on investment in fixed deposits	(164.20)	(103.15)
Other finance income	(0.17)	(0.53)
Operating profit before working capital changes	**11,252.14**	**10,475.05**
Movements in working capital :		
- trade payables	(12.21)	(25.51)
- other current and non-current financial liabilities	399.22	(592.33)
- other current and non-current liabilities	(79.25)	98.59
- inventories	(94.62)	(21.36)
- trade receivables	(536.25)	(1,155.44)
- other current and non-current financial asset	397.39	(175.87)
- other current and non-current asset	(124.41)	117.05
Changes in working capital	**(50.13)**	**(1,754.87)**
Cash flows generated from operations	**11,202.01**	**8,720.18**
Direct taxes paid (net of refunds)	(120.73)	(213.76)
Net cash flow generated from operating activities (A)	**11,081.29**	**8,506.42**
B. Cash flow (used in) investing activities		
Purchase of property plant and equipment (including capital work-in-progress) and property, plant and equipment acquired on acquistion	(38,431.40)	(282.44)
Net assets other than property plant and equipment acquired on acquisition	(834.16)	(398.07)
Interest received on investment in fixed deposits	137.99	86.56
Income from investment in mutual funds	253.54	151.97
Interest on others	0.17	0.53
Investment in mutual funds	(54,425.46)	(36,145.13)
Proceeds from mutual funds	52,130.68	35,955.09
(Investment in) / proceeds from fixed deposits (net)	(1,022.52)	(84.25)
Net cash flow (used in) investing activities (B)	**(42,191.17)**	**(715.74)**
C. Cash flow (used in)/generated from financing activities		
Proceeds from issue of unit capital	4,035.00	-
Unit issue expense incurred	(58.52)	-
Payment of principal portion of lease liabilities	(6.36)	(5.37)
Payment of interest portion of lease liabilities	(4.70)	(1.77)
Proceeds of long term borrowings	53,400.00	19,700.00
Repayment of long term borrowings	(11,220.30)	(23,375.09)
Payment of upfront fees of long term borrowings	(335.85)	(57.10)
Finance costs	(6,084.37)	(5,246.94)
Payment of dividend to non controlling interest	(35.47)	-
Payment of distributions to unitholders	(4,829.98)	(4,541.70)
Net cash flow (used in) / generated from financing activities (C)	**34,859.45**	**(13,527.97)**
Net change in cash and cash equivalents (A + B + C)	**3,749.57**	**(5,737.29)**
Cash and cash equivalents as at beginning of Period(D)	3,153.19	11,861.99
Cash and cash equivalents as at the end of period (A + B + C + D)	**6,902.76**	**6,124.70**

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INDIA GRID TRUST
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023
(All amounts in Rs. million unless otherwise stated)

Components of cash and cash equivalents:	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)
Balances with banks:		
- On current accounts	2,091.05	6,079.53
- Deposit with original maturity of less than 3 months #	4,811.53	45.17
Cash in hand	0.18	-
Total cash and cash equivalents (refer note 10)	**6,902.76**	**6,124.70**

Includes amount of Rs. 75.70 million (31 March 2023: Rs. Nil) kept in Debt Service Reserve Account ('DSRA') / Interest Service Reserve Account ('ISRA') as per borrowing agreements with lenders.

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 05 December 2023

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 05 December 2023

Urmil Shah
Company Secretary
Membership Number : A23423
Place : Mumbai
Date : 05 December 2023

Navin Sharma
Chief Financial Officer
Place : Mumbai
Date : 05 December 2023

INDIA GRID TRUST
Notes to Interim Condensed Consolidated Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

Disclosures Pursuant To SEBI Circulars
(Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023)

A. STATEMENT OF NET ASSETS AT FAIR VALUE AS AT

Particulars	30 September 2023		31 March 2023	
	Book value	Fair value	Book value	Fair value
A. Assets	2,48,411.16	2,95,957.41	2,02,123.82	2,44,705.79
B. Liabilities and Non-Controlling Interest	1,98,286.69	1,98,760.45	1,52,546.87	1,52,546.87
C. Net Assets (A-B)	50,124.47	97,196.96	49,576.95	92,158.92
D. Number of units	730.98	730.98	700.18	700.18
E. NAV (C/D)	68.57	132.97	70.81	131.62

Fair values of subsidiaries/SPVs are calculated based on their independent fair values done by experts appointed by the group. The fair value of all these revenue-generating assets is determined using discounted cash flows method. The group holds 100% equity/beneficial interest in all SPVs except PrKTCL in which it holds 74% and TSESPL in which it holds 66% and balance is accounted for as non-controlling interest in the interim condensed consolidated financial statements.

Project wise breakup of fair value of assets as at 30 September 2023

Project	30 September 2023	31 March 2023
Bhopal Dhule Transmission Company Limited	19,872.73	19,967.13
Jabalpur Transmission Company Limited	17,920.36	17,745.12
Maheshwaram Transmission Limited	6,105.28	6,032.73
RAPP Transmission Company Limited	4,500.86	4,469.01
Purulia & Kharagpur Transmission Company Limited	6,980.71	6,967.36
Patran Transmission Company Limited	2,728.59	2,727.06
NRSS XXIX Transmission Limited	47,254.55	47,251.64
Odisha Generation Phase-II Transmission Limited	14,924.34	14,959.25
East North Interconnection Company Limited	11,924.01	12,011.12
Gurgaon-Palwal Transmission Limited	12,151.20	12,211.11
Jhajjar KT Transco Private Limited	3,656.93	3,646.13
Parbati Koldam Transmission Company Limited	8,854.85	8,978.53
NER II Transmission Limited	54,400.45	53,514.34
IndiGrid Solar-I (AP) Private Limited	3,436.97	3,461.16
IndiGrid Solar-II (AP) Private Limited	3,634.39	3,658.88
Kallam Transmission Limited	2,089.15	1,301.30
Raichur Sholapur Transmission Company Private Limited[1]	2,828.07	2,830.70
Khargone Transmission Limited[2]	16,886.99	16,773.05
TN Solar Power Energy Private Limited[3]	2,396.82	-
Universal Mine Developers And Service Providers Private Limited[3]	2,591.67	-
Terralight Kanji Solar Private Limited[3]	3,950.20	-
Terralight Rajapalayam Solar Private Limited[3]	2,337.05	-
Solar Edge Power And Energy Private Limited[3]	9,965.45	-
PLG Photovoltaic Private Limited[3]	2,764.41	-
Universal Saur Urja Private Limited[3]	4,864.13	-
Terralight Solar Energy Tinwari Private Limited[3]	1,081.96	-
Terralight Solar Energy Charanka Private Limited[3]	1,466.85	-
Terralight Solar Energy Nangla Private Limited[3]	393.02	-
Terralight Solar Energy Patlasi Private Limited[3]	1,641.18	-
Globus Steel And Power Private Limited[3]	1,943.13	-
Terralight Solar Energy Gadna Private Limited[3]	588.69	-
Godawari Green Energy Private Limited[3]	8,527.00	-
Terralight Solar Energy Sitamau SS Private Limited[3]	102.32	-
Sub-total	**2,84,764.31**	**2,38,505.62**
Assets (in IndiGrid and intermediate holding companies)	11,193.10	6,200.17
Total assets	**2,95,957.41**	**2,44,705.79**

1. The Group has acquired Raichur Sholapur Transmission Company Private Limited with effect from 09 November 2022.
2. The Group has acquired Khargone Transmission Limited with effect from 02 March 2023.
3. The Group has acquired 100% units in Virescent Renewable Energy Trust ('Unit Acquisition' in 'VRET') with effect from 25 August 2023. As per the regulatory approvals so obtained, the Group has dissolved VRET with an effective date of 08 September 2023 and such dissolution has resulted into 15 Special Purpose Vehicles (SPVs) of VRET becoming direct subsidiaries of the Group. Other assets and liabilities of VRET as on the acquisition date are also disclosed as assets and liabilities of the Group, with effect from the date of acquisition.

As a part of the above deal, Virescent Infrastructure Investment Manager Private Limited (Virescent IM) and Virescent Renewable Energy Project Manager Private Limited (Virescent PM) has also been acquired at a enterprise value of Rs 184.71 million on 08 September 2023 and will be merged with the Project Manager of IndiGrid as a pre-condition to the acquisition of VRET from regulators. Till the time the merger take effect the same are treated as separate SPV of the Group.

Necessary approvals have been taken by the Group to give effect to the above acquisition.
Refer note 37 for further details.

B. STATEMENT OF TOTAL RETURNS AT FAIR VALUE

Particulars	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Total comprehensive income (as per the statement of profit and loss)	1,460.72	2,088.69
Add/ (Less): other changes in fair value not recognized in total comprehensive income	4,964.28	4,963.76
Total Return	**6,425.00**	**7,052.45**

Notes:
1. Fair value of assets as at 30 September 2023 and as at 31 March 2023 and other changes in fair value for the period ended as disclosed in the above tables are based on fair valuation report issued by the independent valuer appointed under the InvIT regulations.

2. Sensitivity analysis with respect to significant unobservable inputs used in the fair value measurement has been disclosed in Note 31A.

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INDIA GRID TRUST
Notes to Interim Condensed Consolidated Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

Disclosures pursuant to SEBI Circulars
(Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023)

A) Statement of Net Distributable Cash Flows (NDCFs) of India Grid Trust

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Cash flows received from the Portfolio Assets in the form of interest	11,191.14	8,604.55
Cash flows received from the Portfolio Assets in the form of dividend	100.95	-
Any other income accruing at IndiGrid level and not captured above, including but not limited to interest/return on surplus cash invested by IndiGrid	152.77	120.26
Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by IndiGrid	1,070.27	387.88
Proceeds from the Portfolio Assets for a capital reduction by way of a buy back or any other means as permitted, subject to applicable law	-	-
Proceeds from sale of assets of the Portfolio Asset not distributed pursuant to an earlier plan to re-invest, or if such proceeds are not intended to be invested subsequently	-	-
Total cash inflow at the IndiGrid level (A)	**12,515.13**	**9,112.69**
Less: Any payment of fees, interest and expense incurred at IndiGrid level, including but not limited to the fees of the Investment Manager and Trustee (refer note i and ii)	(6,837.78)	(5,023.02)
Less: Costs/retention associated with sale of assets of the Portfolio Assets:	-	-
-related debts settled or due to be settled from sale proceeds of Portfolio Assets;	-	-
-transaction costs paid on sale of the assets of the Portfolio Assets; and	-	-
-capital gains taxes on sale of assets/ shares in Portfolio Assets/ other investments.	-	-
Less: Proceeds reinvested or planned to be reinvested in accordance with Regulation 18(7)(a) of the InvIT Regulations	-	-
Less: Repayment of external debt at the IndiGrid level and at the level of any of the underlying portfolio assets/special purpose vehicles (Excluding refinancing)	-	-
Less: Income tax (if applicable) at the standalone IndiGrid level	(14.49)	(17.73)
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	(429.27)	(140.92)
Less: Repair work in relation to the projects undertaken by any of the Portfolio Assets	-	-
Total cash outflows / retention at IndiGrid level (B)	**(7,281.54)**	**(5,181.67)**
Net Distributable Cash Flows (C) = (A+B)	**5,233.59**	**3,931.02**

Notes:

1. The Group acquired VRET on 25 August 2023 and as per regulatory approval the Group has filed for the disloution of VRET. The effective date of disolution is 08 September 2023. Accordingly the NDCF with respect to VRET for the period of acquisition till the date of disolution is considered for the purpose of calulation of NDCF for the half year ended 30 September 2023.

2. TSETPL and TSESPL has not made any distributions during the current period, as the SPVs has not satisfied the dividend distribution requirements under its distribution policy approved by Board of Directors and in accordance with the relevant legal requirements applicable to the SPV. Accordingly IGT has also not considered distribution under its distribution policy approved by Board of Directors of the Investment Manager.

B) Statement of Net Distributable Cash Flows (NDCFs) of underlying Holdcos and SPVs

(i) IndiGrid Limited (IGL) (Holdco)

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A)	**(206.25)**	**(161.53)**
Add: Depreciation, impairment and amortisation	21.54	17.89
Add/Less: Decrease/(increase) in working capital	4.30	(59.82)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	181.02	248.02
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(56.18)	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.05)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	(29.35)	(48.97)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**121.28**	**157.12**
Net Distributable Cash Flows (C) = (A+B)	**(84.97)**	**(4.41)**

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(All amounts in Rs. million unless otherwise stated)

(ii) Bhopal Dhule Transmission Company Limited (BDTCL) (SPV)

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A)	**(624.89)**	**(357.70)**
Add: Depreciation, impairment and amortisation	358.65	358.08
Add/Less: Decrease/(increase) in working capital	92.94	(209.26)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	1,286.97	1,127.60
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	11.83	(68.81)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(5.72)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on interest free loan or other debentures;	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	12.46
Loss on account of MTM of F/W & ECB	-	151.97
Non Cash Income - Reversal of Prepayment penalty	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**1,744.67**	**1,372.04**
Net Distributable Cash Flows (C) = (A+B)	**1,119.78**	**1,014.34**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(iii) Jabalpur Transmission Company Limited (JTCL) (SPV)

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A)	**(1,073.89)**	**(1,026.10)**
Add: Depreciation, impairment and amortisation	362.75	310.21
Add/Less: Decrease/(increase) in working capital	(25.31)	(113.56)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	1,523.33	1,445.64
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	(0.83)	(4.62)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(13.92)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**1,846.02**	**1,637.67**
Net Distributable Cash Flows (C) = (A+B)	**772.13**	**611.57**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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(All amounts in Rs. million unless otherwise stated)

(iv) Maheshwaram Transmission Limited (MTL) (SPV)

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A)	**(86.35)**	**(90.04)**
Add: Depreciation, impairment and amortisation	60.90	61.05
Add/Less: Decrease/(increase) in working capital	(1.71)	(32.64)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	293.82	296.60
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	(0.05)	(0.94)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.85)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**352.11**	**324.07**
Net Distributable Cash Flows (C) = (A+B)	**265.76**	**234.03**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(v) RAPP Transmission Company Limited (RTCL) (SPV)

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A)	**26.23**	**14.36**
Add: Depreciation, impairment and amortisation	43.06	43.14
Add/Less: Decrease/(increase) in working capital	6.13	(118.66)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	151.28	153.59
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	(0.11)	75.13
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(2.69)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**197.67**	**153.20**
Net Distributable Cash Flows (C) = (A+B)	**223.90**	**167.56**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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(All amounts in Rs. million unless otherwise stated)

(vi) Purulia & Kharagpur Transmission Company Limited (PKTCL) (SPV)

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A)	**15.18**	**6.75**
Add: Depreciation, impairment and amortisation	71.58	71.74
Add/Less: Decrease/(increase) in working capital	(9.98)	(45.72)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	262.35	271.68
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	1.01	(2.43)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(3.56)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	5.23	0.41
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**326.63**	**295.68**
Net Distributable Cash Flows (C) = (A+B)	**341.81**	**302.43**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(vii) Patran Transmission Company Limited (PTCL) (SPV)

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A)	**(30.87)**	**(44.04)**
Add: Depreciation, impairment and amortisation	62.17	70.94
Add/Less: Decrease/(increase) in working capital	(4.34)	(29.38)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	117.79	118.21
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	0.19	(0.81)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(1.59)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**174.22**	**158.96**
Net Distributable Cash Flows (C) = (A+B)	**143.35**	**114.92**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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INDIA GRID TRUST
Notes to Interim Condensed Consolidated Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

(viii) IndiGrid 1 Limited (IGL1) (Holdco)

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A)	**3.38**	**(15.45)**
Add: Depreciation, impairment and amortisation	-	-
Add/Less: Decrease/(increase) in working capital	(3.40)	(4.01)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	4.13	15.41
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	-	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.81)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**(0.08)**	**11.40**
Net Distributable Cash Flows (C) = (A+B)	**3.30**	**(4.05)**

Note: During the period, amount being at least 100% has already been distributed to IndiGrid.

(ix) NRSS XXIX Transmission Limited (NRSS) (SPV)

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A)	**192.42**	**85.78**
Add: Depreciation, impairment and amortisation	414.44	415.67
Add/Less: Decrease/(increase) in working capital	(101.83)	(403.13)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	1,854.38	1,918.70
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	(1.90)	2.37
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(20.43)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	66.52	29.59
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**2,211.18**	**1,963.20**
Net Distributable Cash Flows (C) = (A+B)	**2,403.60**	**2,048.98**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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(All amounts in Rs. million unless otherwise stated)

(x) IndiGrid 2 Limited (IGL2) (Holdco)

Description	**For the half year ended 30 September 2023 (Unaudited)**	**For the half year ended 30 September 2022 (Unaudited)**
Profit/(loss) after tax as per profit and loss account (A)	**(53.67)**	**(47.44)**
Add: Depreciation, impairment and amortisation	-	-
Add/Less: Decrease/(increase) in working capital	(5.31)	(1.70)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	46.81	46.59
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	-	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)		
Amortization of Upfront fees		
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
	-	-
Total Adjustments (B)	**41.50**	**44.89**
Net Distributable Cash Flows (C) = (A+B)	**(12.17)**	**(2.55)**

(xi) Odisha Generation Phase-II Transmission Limited (OGPTL) (SPV)

Description	**For the half year ended 30 September 2023 (Unaudited)**	**For the half year ended 30 September 2022 (Unaudited)**
Profit/(loss) after tax as per profit and loss account (A)	**(253.50)**	**(263.43)**
Add: Depreciation, impairment and amortisation	205.42	197.04
Add/Less: Decrease/(increase) in working capital	(32.35)	(90.18)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	806.45	823.59
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	(0.04)	(0.65)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(3.63)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**975.85**	**929.80**
Net Distributable Cash Flows (C) = (A+B)	**722.35**	**666.37**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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INDIA GRID TRUST
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(All amounts in Rs. million unless otherwise stated)

(xii) East-North Interconnection Company Limited (ENICL)(SPV)

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A)	**(202.23)**	**(214.62)**
Add: Depreciation, impairment and amortisation	282.64	283.37
Add/Less: Decrease/(increase) in working capital	(16.98)	(102.92)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	621.94	632.55
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	0.71	(5.52)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(1.90)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**886.41**	**807.48**
Net Distributable Cash Flows (C) = (A+B)	**684.18**	**592.86**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xiii) Gurgaon-Palwal Transmission Limited (GPTL) (SPV)

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A)	**(252.55)**	**(263.01)**
Add: Depreciation, impairment and amortisation	181.69	181.66
Add/Less: Decrease/(increase) in working capital	(8.62)	(96.03)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	735.76	735.76
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(0.83)	(2.84)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(1.84)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**906.16**	**818.55**
Net Distributable Cash Flows (C) = (A+B)	**653.61**	**555.54**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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(All amounts in Rs. million unless otherwise stated)

(xiv) Jhajjar KT Transco Private Limited (JKTPL) (SPV)

Description	**For the half year ended 30 September 2023 (Unaudited)**	**For the half year ended 30 September 2022 (Unaudited)**
Profit/(loss) after tax as per profit and loss account (A)	**19.38**	**3.30**
Add: Depreciation, impairment and amortisation	0.12	0.16
Add/Less: Decrease/(increase) in working capital	41.84	61.75
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	109.33	115.00
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(0.78)	(0.82)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(4.53)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	7.03	4.13
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**153.01**	**180.22**
Net Distributable Cash Flows (C) = (A+B)	**172.39**	**183.52**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xv) Parbati Koldam Transmission Company Limited (PrKTCL) (SPV)

Description	**For the half year ended 30 September 2023 (Unaudited)**	**For the half year ended 30 September 2022 (Unaudited)**
Profit/(loss) after tax as per profit and loss account (A)	**146.90**	**131.02**
Add: Depreciation, impairment and amortisation	217.83	218.34
Add/Less: Decrease/(increase) in working capital	(25.32)	(171.63)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	96.60	107.32
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(0.24)	(0.51)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(3.06)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	(4.46)	(4.54)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**281.35**	**148.98**
Net Distributable Cash Flows (C) = (A+B)	**428.25**	**280.00**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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INDIA GRID TRUST
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(All amounts in Rs. million unless otherwise stated)

(xvi) NER II Transmission Limited (NER) (SPV)

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A)	**(259.01)**	**(635.35)**
Add: Depreciation, impairment and amortisation	492.17	493.36
Add/Less: Decrease/(increase) in working capital	171.75	(301.06)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	2,113.70	2,113.70
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(47.66)	(26.81)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(5.11)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**2,724.85**	**2,279.19**
Net Distributable Cash Flows (C) = (A+B)	**2,465.84**	**1,643.84**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xvii) IndiGrid Solar-I (AP) Private Limited (ISPL1) (SPV)

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(89.07)**	**(281.46)**
Add: Depreciation, impairment and amortisation	85.83	86.48
Add/Less: Decrease/(increase) in working capital	9.73	22.96
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	208.77	369.56
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(1.71)	(0.13)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.95)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	16.18
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**301.67**	**495.05**
Net Distributable Cash Flows (C) = (A+B)	**212.60**	**213.59**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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(All amounts in Rs. million unless otherwise stated)

(xviii) IndiGrid Solar-II (AP) Private Limited (ISPL2) (SPV)

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(79.99)**	**(271.03)**
	-	-
Add: Depreciation, impairment and amortisation	86.50	87.08
Add/Less: Decrease/(increase) in working capital	(5.26)	25.87
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	217.34	367.95
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(2.03)	(0.63)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.04)	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	17.84
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
	-	-
Total Adjustments (B)	**296.51**	**498.11**
Net Distributable Cash Flows (C) = (A+B)	**216.52**	**227.08**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xix) Kallam Transmission Limited (KTL) (SPV)

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**-**	**-**
Add: Depreciation, impairment and amortisation	-	-
Add/Less: Decrease/(increase) in working capital	-	-
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	-	-
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	-	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
	-	-
	-	-
Total Adjustments (B)	**-**	**-**
Net Distributable Cash Flows (C) = (A+B)	**-**	**-**

Kallam Transmission Limited is under construction project and hence project shall not generate any NDCF. KTL shall generate NDCF post Commercial operation.

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INDIA GRID TRUST
Notes to Interim Condensed Consolidated Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

(xx) Raichur Sholapur Transmission Private Limited (RSTCPL) (SPV)

Description	**For the half year ended 30 September 2023* (Unaudited)**
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(57.49)**
Add: Depreciation, impairment and amortisation	77.58
Add/Less: Decrease/(increase) in working capital	(8.52)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	146.24
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-
Less: Capital expenditure, if any	(0.19)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.73)
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender’s agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
	-
	-
Total Adjustments (B)	**214.38**
Net Distributable Cash Flows (C) = (A+B)	**156.89**

*The group has acquired the SPV wef 09 November 2022 and hence, the comparative figures are not provided.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xxi) Khargone Transmission Limited (KhTL) (SPV)

Description	**For the half year ended 30 September 2023* (Unaudited)**
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(444.52)**
Add: Depreciation, impairment and amortisation	283.23
Add/Less: Decrease/(increase) in working capital	(128.13)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	1,073.74
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-
Less: Capital expenditure, if any	(45.92)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(4.25)
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	(36.97)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender’s agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
	-
Total Adjustments (B)	**1,141.70**
Net Distributable Cash Flows (C) = (A+B)	**697.18**

*The group has acquired the SPV wef 02 March 2023 and hence, the comparative figures are not provided.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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(All amounts in Rs. million unless otherwise stated)

(xxii) TN Solar Power Energy Private Limited ("TSPEPL") (SPV)

Description	25 August 2023* to 30 September 2023 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(2.65)**
Add: Depreciation, impairment and amortisation	10.09
Add/Less: Decrease/(increase) in working capital	5.39
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	16.20
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	(0.07)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	0.00
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
Total Adjustments (B)	**31.61**
Net Distributable Cash Flows (C) = (A+B)	**28.96**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xxiii) Universal Mine Developers And Service Providers Private Limited ("UMDSPPL") (SPV)

Description	25 August 2023* to 30 September 2023 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**1.42**
Add: Depreciation, impairment and amortisation	11.37
Add/Less: Decrease/(increase) in working capital	11.32
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	19.32
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	0.05
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	0.00
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
Total Adjustments (B)	**42.06**
Net Distributable Cash Flows (C) = (A+B)	**43.48**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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(All amounts in Rs. million unless otherwise stated)

(xxiv) Terralight Kanji Solar Private Limited ("TKSPL") (SPV)

Description	25 August 2023* to 30 September 2023 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(11.80)**
Add: Depreciation, impairment and amortisation	16.48
Add/Less: Decrease/(increase) in working capital	8.77
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	40.80
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	0.02
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
Total Adjustments (B)	**66.07**
Net Distributable Cash Flows (C) = (A+B)	**54.27**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xxv) Terralight Rajapalayam Solar Private Limited ("TRSPL") (SPV)

Description	25 August 2023* to 30 September 2023 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(4.62)**
Add: Depreciation, impairment and amortisation	7.12
Add/Less: Decrease/(increase) in working capital	16.35
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	23.98
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	(0.02)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
Total Adjustments (B)	**47.43**
Net Distributable Cash Flows (C) = (A+B)	**42.81**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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INDIA GRID TRUST
Notes to Interim Condensed Consolidated Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

(xxvi) Solar Edge Power And Energy Private Limited ("SEPEPL") (SPV)

Description	25 August 2023* to 30 September 2023 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(56.44)**
Add: Depreciation, impairment and amortisation	37.19
Add/Less: Decrease/(increase) in working capital	93.94
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	110.05
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	(0.05)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
Total Adjustments (B)	**241.13**
Net Distributable Cash Flows (C) = (A+B)	**184.69**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xxvii) PLG Photovoltaic Private Limited ("PPPL") (SPV)

Description	25 August 2023* to 30 September 2023 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**44.98**
Add: Depreciation, impairment and amortisation	16.33
Add/Less: Decrease/(increase) in working capital	(12.68)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	7.30
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	0.01
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	(40.85)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
	-
Total Adjustments (B)	**(29.89)**
Net Distributable Cash Flows (C) = (A+B)	**15.09**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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(All amounts in Rs. million unless otherwise stated)

(xxviii) Universal Saur Urja Private Limited ("USUPL") (SPV)

Description	25 August 2023* to 30 September 2023 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(70.92)**
Add: Depreciation, impairment and amortisation	20.83
Add/Less: Decrease/(increase) in working capital	(59.78)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	36.95
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	(0.19)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	81.04
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
Total Adjustments (B)	**78.85**
Net Distributable Cash Flows (C) = (A+B)	**7.93**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xxix) Terralight Solar Energy Tinwari Private Limited ("TSETPL") (SPV)

Description	25 August 2023* to 30 September 2023 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**13.67**
Add: Depreciation, impairment and amortisation	3.51
Add/Less: Decrease/(increase) in working capital	(9.51)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	-
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	0.56
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	0.51
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
	-
Total Adjustments (B)	**(4.93)**
Net Distributable Cash Flows (C) = (A+B)	**8.74**

* Being the date of acquisition by IndiGrid consortium.
Note: TSETPL has not made any distributions during the period 25 August 2023 to 30 September 2023, as the SPVs has not satisfied the dividend distribution requirements under its distribution policy approved by Board of Directors and in accordance with the relevant legal requirements applicable to the SPV.

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(All amounts in Rs. million unless otherwise stated)

(xxx) Terralight Solar Energy Charanka Private Limited ("TSECPL") (SPV)

Description	25 August 2023* to 30 September 2023 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**5.42**
Add: Depreciation, impairment and amortisation	9.24
Add/Less: Decrease/(increase) in working capital	(5.16)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	1.78
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	(0.01)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	(3.67)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
Total Adjustments (B)	**2.18**
Net Distributable Cash Flows (C) = (A+B)	**7.60**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xxxi) Terralight Solar Energy Nangla Private Limited ("TSENPL") (SPV)

Description	25 August 2023* to 30 September 2023 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(2.22)**
Add: Depreciation, impairment and amortisation	1.89
Add/Less: Decrease/(increase) in working capital	(2.76)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	5.09
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	(0.00)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
Total Adjustments (B)	**4.22**
Net Distributable Cash Flows (C) = (A+B)	**2.00**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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(All amounts in Rs. million unless otherwise stated)

(xxxii) Terralight Solar Energy Patlasi Private Limited ("TSEPPL") (SPV)

Description	25 August 2023* to 30 September 2023 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(10.54)**
Add: Depreciation, impairment and amortisation	8.95
Add/Less: Decrease/(increase) in working capital	(11.22)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	17.54
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	(0.01)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
Total Adjustments (B)	**15.26**
Net Distributable Cash Flows (C) = (A+B)	**4.72**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xxxiii) Globus Steel And Power Private Limited ("GSPPL") (SPV)

Description	25 August 2023* to 30 September 2023 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(13.59)**
Add: Depreciation, impairment and amortisation	9.36
Add/Less: Decrease/(increase) in working capital	(9.12)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	22.91
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	0.00
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
	-
Total Adjustments (B)	**23.15**
Net Distributable Cash Flows (C) = (A+B)	**9.56**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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(All amounts in Rs. million unless otherwise stated)

(xxxiv) Terralight Solar Energy Gadna Private Limited ("TSEGPV") (SPV)

Description	**25 August 2023* to 30 September 2023 (Unaudited)**
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**1.85**
Add: Depreciation, impairment and amortisation	3.78
Add/Less: Decrease/(increase) in working capital	(3.71)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	1.58
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	(0.01)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
Total Adjustments (B)	**1.64**
Net Distributable Cash Flows (C) = (A+B)	**3.49**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xxxv) Godawari Green Energy Private Limited ("GGEPL") (SPV)

Description	**25 August 2023* to 30 September 2023 (Unaudited)**
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**88.04**
Add: Depreciation, impairment and amortisation	39.01
Add/Less: Decrease/(increase) in working capital	(90.51)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	42.39
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	3.78
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	(61.11)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
Total Adjustments (B)	**(66.44)**
Net Distributable Cash Flows (C) = (A+B)	**21.60**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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INDIA GRID TRUST
Notes to Interim Condensed Consolidated Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

(xxxvi) Terralight Solar Energy Sitamau SS Private Limited ("TSESPL") (SPV)

Description	25 August 2023* to 30 September 2023 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(1.09)**
Add: Depreciation, impairment and amortisation	1.01
Add/Less: Decrease/(increase) in working capital	0.72
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	-
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	0.00
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
Total Adjustments (B)	**1.73**
Net Distributable Cash Flows (C) = (A+B)	**0.64**

* Being the date of acquisition by IndiGrid consortium.
Note: TSESPL has not made any distributions during the period 25 August 2023 to 30 September 2023, as the SPVs has not satisfied the dividend distribution requirements under its distribution policy approved by Board of Directors and in accordance with the relevant legal requirements applicable to the SPV.

(xxxvii) Virescent Infrastructure Investment Manager Private Limited ("VIIMPL") (SPV)

Description	25 August 2023* to 30 September 2023 (Unaudited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(495.09)**
Add: Depreciation, impairment and amortisation	0.00
Add/Less: Decrease/(increase) in working capital	197.95
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	-
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	0.00
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	0.00
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
Total Adjustments (B)	**197.95**
Net Distributable Cash Flows (C) = (A+B)	**(297.14)**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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INDIA GRID TRUST
Notes to Interim Condensed Consolidated Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

(xxxviii) Virescent Renewable Energy Project Manager Private Limited ("VREPMPL") (SPV)

Description	**25 August 2023* to 30 September 2023 (Unaudited)**
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(7.15)**
Add: Depreciation, impairment and amortisation	0.00
Add/Less: Decrease/(increase) in working capital	1.90
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	-
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-
Less: Capital expenditure, if any	(0.00)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	(0.00)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
Total Adjustments (B)	**1.90**
Net Distributable Cash Flows (C) = (A+B)	**(5.25)**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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1. Group information

The interim condensed consolidated financial statements comprise financial statements of India Grid Trust ("the Trust" or "IndiGrid") and its subsidiaries (collectively, the Group) for the half year ended 30 September 2023. IndiGrid is an irrevocable trust settled by Sterlite Power Transmission Limited (the "Sponsor") on 21 October 2016 pursuant to the Trust Deed under the provisions of the Indian Trusts Act, 1882 and registered with Securities Exchange Board of India ("SEBI") under the SEBI (Infrastructure Investment Trust) Regulations, 2014 (as amended from time to time) as an Infrastructure Investment Trust on 28 November 2016 having registration number IN/InvIT/16-17/0005. The Trustee of IndiGrid is Axis Trustee Services Limited (the "Trustee"). The Investment manager for IndiGrid is Indigrid Investment Managers Limited (the "Investment Manager" or the "Management").

The objectives of IndiGrid are to undertake activities as an infrastructure investment trust in accordance with the provisions of the InvIT Regulations and the Trust Deed. The principal activity of IndiGrid is to own and invest in power transmission/ solar assets in India with the objective of producing stable and sustainable distributions to unitholders.

As at 30 September 2023, Group has following project entities ("Special Purpose Vehicles" or "SPVs") which are transmission infrastructure projects and Solar Projects developed on Build, Own, Operate and Maintain ('BOOM') or Build, Own and Operate ('BOO') basis:

1. Bhopal Dhule Transmission Company Limited ('BDTCL')
2. Jabalpur Transmission Company Limited ('JTCL')
3. RAPP Transmission Company Limited ('RTCL')
4. Purulia & Kharagpur Transmission Company Limited ('PKTCL')
5. Maheshwaram Transmission Limited ('MTL')
6. Patran Transmission Company Limited ('PTCL')
7. NRSS XXIX Transmission Limited ('NTL')
8. Odisha Generation Phase-II Transmission Limited ('OGPTL')
9. East-North Interconnection Company Limited ('ENICL')
10. Gurgaon-Palwal Transmission Limited ('GPTL')
11. Parbati Koldam Transmission Company Limited ('PrKTCL')
12. NER II Transmission Limited ('NER')
13. Kallam Transmission Limited ('KTL')
14. Raichur Solapur Transmission Company Private Limited ('RSTCPL')
15. Khargone Transmission Limited ('KhTL')

As at 30 September 2023, Group has following project entities which are transmission infrastructure projects developed on Design, Build, Finance, Operate and Transfer ('DBFOT') basis:

1. Jhajjar KT Transco Private Limited ('JKTPL')

These SPVs have executed Transmission Services Agreements ("TSAs") with Long term transmission customers under which the SPVs have to maintain the transmission infrastructure for 25 or 35 years post commissioning.

As at 30 September 2023, following project entities which are engaged in generation of electricity through Solar projects developed Build, Own, Operate and Maintain ('BOOM') basis:

1. IndiGrid Solar – I (AP) Private Limited ('IndiGrid Solar – I')
2. IndiGrid Solar – II (AP) Private Limited ('IndiGrid Solar – II')
3. TN Solar Power Energy Private Limited (TSPEPL)
4. Universal Mine Developers and Service Providers Private Limited (UMDSPPL)
5. Terralight Kanji Solar Private Limited (TKSPL)
6. Terralight Rajapalayam Solar Private Limited (TRSPL)
7. Solar Edge Power and Energy Private Limited (SEPEPL)
8. PLG Photovoltaic Private Limited (PPPL)
9. Universal Saur Urja Private Limited (USUPL)
10. Terralight Solar Energy Tinwari Private Limited (TSETPL)
11. Terralight Solar Energy Charanka Private Limited (TSECPL)
12. Terralight Solar Energy Nangla Private Limited (TSENPL)
13. Terralight Solar Energy Patlasi Private Limited (TSEPPL)
14. Globus Steel and Power Private Limited (GSPPL)
15. Terralight Solar Energy Gadna Private Limited (TSEGPV)
16. Godawari Green Energy Private Limited (GGEPL)

These SPVs have executed Power Purchase Agreements ("PPAs") with various DISCOM's, where the respective entity is required to sell power at a pre-fixed tariff rates agreed as per PPA for an agreed period.

As at 30 September 2023, Group has following project entity which is in business of developing transmission lines and Switchyards for operations of power projects and generating power :

1. Terralight Solar Energy SitamauSS Private Limited (TSESPL)

The address of the registered office of the Investment Manager is Unit No 101, First Floor, Windsor Village, KoleKalyan Off CST Road, Vidyanagari Marg, Santacruz (East) Mumbai, Maharashtra - 400098, India. The interim condensed financial statements were approved for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on 05 December 2023.

2. Material Accounting Policies

2.1 Basis of preparation

The interim condensed consolidated financial statements comprise of the interim condensed consolidated Balance Sheet as at 30 September 2023, the interim condensed consolidated Statement of Profit and Loss including Other Comprehensive Income, the interim condensed Consolidated Statement of Cash Flow and the interim condensed Consolidated Statement of Changes in Unit Holders' Equity for the period then ended, the interim condensed Consolidated Statement of Net Assets at fair value as at 30 September 2023, the interim condensed Consolidated Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCFs') of the Trust, the underlying holding company ("HoldCo") and each of its subsidiaries for the period then ended and a summary of material accounting policies and other explanatory notes prepared in accordance with Indian Accounting Standards (Ind AS) 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") read with SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations").

The Interim Condensed Consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets measured at fair value (e.g. Liquid mutual funds)

The Group has prepared the interim condensed consolidated financial statements on the basis that it will continue to operate as a going concern.

The interim condensed consolidated financial statements are presented in Indian Rupees Millions, except when otherwise indicated.

Interim Condensed Consolidated Financial Statements do not include all the information and disclosures required in the Annual Financial Statements and should be read in conjunction with the Group's Consolidated Annual Financial Statements as at 31 March 2023, which were approved by the Board on 12 May 2023.

The accounting policies adopted in the preparation of Interim Condensed Consolidated Financial Statements are consistent with those of Annual Financial Statement as at 31 March 2023.

2.2 Basis of consolidation

Interim Condensed Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. There has been no change in the material accounting policies in the interim period except as mentioned in the paragraph below.

a) Business combinations and goodwill

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

► Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

► Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

► Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

► Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

► Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group’s cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

When the acquisition of an asset or group of assets does not constitute a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the individual identified assets and liabilities acquired based upon their relative fair values and no goodwill or deferred tax is recognised.

b) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over their estimated useful life on a straight-line basis. Software is amortised over the estimated useful life ranging from 5-10 years. Customer contracts are amortized on straight line basis over the life of the respective project.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gains or losses arising from derecognition of an intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

The amortisation period and the amortisation method are reviewed at least at each period end. If the expected useful life of the asset is different from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

c) Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost of stores and spares includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

d) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

Power transmission services

Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCs for periods of 35/25 years. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs. The Group's performance obligation under the TSAs is to provide power transmission services. The performance obligation is satisfied over time as the customers receive and consume the benefits provided by the Group's performance as the Group performs. Accordingly, the revenue from power transmission services is recognised over time based on the transmission asset availabilities and the tariff charges approved under the respective CERC tariff orders and includes unbilled revenues accrued up to the end of the accounting period. The payment is generally due within 60 days upon receipt of monthly invoice by the customer.

Solar Business – Electricity generation

Revenue from contracts with customers comprises of revenue arrangement is based on long term PPA with various DISCOMs. As per the PPA, the Group's performance obligation is to supply solar power at a rate specified in the PPA. Revenue is recognised over time for each period based on the volume of solar power supplied to the Customer as per the terms stated in the PPA at the metering point of the Customer. Estimates used in the revenue recognition as mentioned above are re-assessed periodically and are adjusted if required.

Regulatory Assets and revenue:

The group determines revenue gap for the period (i.e shortfall in actual returns over assured returns) based on the principles laid down under the CERC regulations and tariff orders issued by CERC. In respect of such revenue gaps, appropriate adjustments, have been made for the respective periods on a conservative basis in accordance with accounting policies and the requirement of Ind AS 114, "regulatory deferral accounts" read with guidance note on Accounting for rate regulated activities issued by Institute of Chartered Accountants of India. ("ICAI").

Service Concession Arrangements:

The group through one of its subsidiaries also has operating and maintaining the power transmission system including sub-station constructed to provide services for a specified period of time in accordance with the transmission agreement entered into with the grantor.

Under Appendix D to lnd AS 115, this arrangement is considered as Service Concession Arrangement and in accordance with para 16 of the Appendix D to Ind AS 115, rights to receive the consideration from the grantor for providing services has been recognised as "financial assets".

Finance Income for Service Concession Arrangements under finance assets model is recognised using effective interest rate method. Revenue from operations and maintenance services are separately recognised in each period as and when services are rendered.

Change in Law

Revenue for change In Law is accounted when legal claims are approved and there is certainty for its realization.

Contract balances
A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Amounts which have been billed to the customers are disclosed as Trade receivables and amounts which are to be billed to the customers (and not conditional on the group's future performance) are disclosed under Other financial assets. Refer accounting policies for financial assets in Financial instruments – initial recognition and subsequent measurement.

e) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Office Premises 5-9 years
- Land 25-99 years

Lease Liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the payments of penalties for terminating the lease, if the lease term

reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

New and amended standards

The accounting policies adopted and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below:

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 1 April 2023.

Ind AS 1, Presentation of Financial Statements
An entity shall disclose material accounting policy information. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

Ind AS 8, Accounting policies, Change in Accounting Estimates and Errors
Definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'. As per revised definition, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty. An entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information.

An entity may need to change an accounting estimate if changes occur in the circumstances on which the accounting estimate was based or as a result of new information, new developments or more experience. By its nature, a change in an accounting estimate does not relate to prior periods and is not the correction of an error.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

These apply for the first time for the period year ended 30 September 2023 on the financial statements of the Group.

There were certain amendments to standards which are applicable for the first time for the period ended 30 September 2023, but either the same are not relevant or do not have an impact on the Interim Condensed Consolidated financial statements of the Group.

INDIA GRID TRUST
Notes to Interim Condensed Consolidated Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

Note 3: Property, plant and equipment (PPE)

Particulars	Freehold land	Building - office (leasehold improvements)	Building	Substations	Transmission lines	Plant and machinery	Data processing equipments	Furniture and fitting	Office equipment	Vehicle	Solar Power Plant	Road	Total
Gross block													
Balance as at 01 April 2022	792.56	1.94	222.51	30,642.90	1,47,039.99	81.73	69.00	24.53	44.98	6.36	5,895.99	5.57	1,84,828.06
Additions	129.53	3.70	-	7.80	214.35	4.86	3.71	3.21	4.64	7.36	-	-	379.16
Acquisition of subsidiaries	-	-	-	-	16,483.85	-	-	-	-	-	-	-	16,483.85
Disposals	-	-	-	-	-	-	(0.09)	(0.05)	(0.05)	-	-	-	(0.19)
As at 31 March 2023	**922.09**	**5.64**	**222.51**	**30,650.70**	**1,63,738.19**	**86.59**	**72.62**	**27.69**	**49.57**	**13.72**	**5,895.99**	**5.57**	**2,01,690.88**
Additions	44.26	2.80	0.14	10.36	7.44	43.99	2.60	1.93	4.29	6.41	-	-	124.22
Acquisition of subsidiaries	2,292.68	-	343.19	-	-	0.29	4.06	25.12	4.96	8.45	19,468.74	-	22,147.49
Disposals	-	-	-	-	-	(10.26)	-	(0.20)	-	-	-	-	(10.46)
As at 30 September 2023	**3,259.03**	**8.44**	**565.84**	**30,661.06**	**1,63,745.63**	**120.61**	**79.28**	**54.54**	**58.82**	**28.58**	**25,364.73**	**5.57**	**2,23,952.13**
Accumlated Depreciation													
Balance as at 01 April 2022	-	0.14	35.87	2,735.82	13,978.44	4.10	10.70	4.83	12.35	2.79	263.32	3.05	17,051.41
Charge for the year	-	0.08	11.76	910.00	5,703.76	6.12	19.24	4.16	10.92	2.53	319.59	-	6,988.16
Disposals	-	-	-	-	-	-	(0.04)	(0.02)	(0.04)	-	-	-	(0.10)
Impairment charge / (reversal)	-	-	-	-	(120.14)	-	-	-	-	-	-	-	(120.14)
As at 31 March 2023	**-**	**0.22**	**47.63**	**3,645.82**	**19,562.06**	**10.22**	**29.90**	**8.97**	**23.23**	**5.32**	**582.91**	**3.05**	**23,919.33**
Charge for the period	-	2.30	3.02	538.96	3,015.04	81.67	9.80	2.24	6.13	1.39	352.96	-	4,013.52
Disposals	-	-	-	-	-	(10.26)	-	-	-	-	-	-	(10.26)
As at 30 September 2023	**-**	**2.52**	**50.65**	**4,184.78**	**22,577.10**	**81.63**	**39.70**	**11.21**	**29.36**	**6.71**	**935.87**	**3.05**	**27,922.59**
Net Block													
As at 31 March 2023	**922.09**	**5.42**	**174.88**	**27,004.88**	**1,44,176.13**	**76.37**	**42.72**	**18.72**	**26.34**	**8.40**	**5,313.08**	**2.52**	**1,77,771.54**
As at 30 September 2023	**3,259.03**	**5.92**	**515.19**	**26,476.28**	**1,41,168.53**	**38.98**	**39.58**	**43.33**	**29.46**	**21.87**	**24,428.86**	**2.52**	**1,96,029.54**

Notes :

(i) Property, plant and equipment and capital work in progress are subject to pari passu first charge to lenders for term loans as disclosed in Note 15.

Note 3a: Right of use asset

The Group has taken office building on lease which has lease term of 5-9 years with lock-in-period of 3 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The lease liability has been measured by using the incremental borrowing rate.
The Group has also taken leasehold land which has lease term of 25-99 years from the commercial operation date (COD) in relation to which the company is required to pay a fixed annual operating and maintenance expenses for using common infrastructure facilities. The lease liability has been measured by using the incremental borrowing rate.

Particulars	Right-of-use asset			Lease Liabilities
	Building	Land	Total	
As at 01 April 2022	**28.81**	**76.58**	**105.39**	**41.62**
Additions	88.10	-	88.10	87.76
Depreciation expense	(10.56)	(3.67)	(14.23)	-
Interest expense	-	-	-	3.98
Cash outflow for lease	-	-	-	(15.03)
As at 31 March 2023	**106.35**	**72.91**	**179.26**	**118.33**
Additions	-	12.41	12.41	12.51
Depreciation expense	(7.84)	(1.90)	(9.74)	-
Interest expense	-	-	-	4.70
Cash outflow for lease	-	-	-	(11.05)
As at 30 September 2023	**98.51**	**83.42**	**181.93**	**124.49**

INDIA GRID TRUST
Notes to Interim Condensed Consolidated Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

Note 4: Intangible assets and goodwill

Particulars	Goodwill*	Intangible assets			
		Computer software/License	Right-to-use common infrastructure facilities	Customer Contracts*	Total
Gross block					
Balance as at 01 April 2022	-	98.05	428.45	-	526.50
Additions	-	1.52	-	-	1.52
As at 31 March 2023	**-**	**99.57**	**428.45**	**-**	**528.02**
Additions	-	-	-	-	-
Acquisition of subsidiaries	3,094.34	5.31	-	14,024.65	14,029.96
As at 30 September 2023	**3,094.34**	**104.88**	**428.45**	**14,024.65**	**14,557.98**
Accumulated amortisation and impairment					
Balance as at 01 April 2022	-	14.50	14.05	-	28.55
Amortisation	-	15.78	22.53	-	38.31
As at 31 March 2023	**-**	**30.28**	**36.58**	**-**	**66.86**
Amortisation	-	6.68	11.81	94.58	113.07
As at 30 September 2023	**-**	**36.96**	**48.39**	**94.58**	**179.93**
Net book value					
As at 31 March 2023	**-**	**69.29**	**391.87**	**-**	**461.16**
As at 30 September 2023	**3,094.34**	**67.92**	**380.06**	**13,930.07**	**14,378.05**

***The Group has accounted the acquisition of VRET as business acquisition in accordance with Ind 103 "Business Combination" based on valuation done by independent valuer in the interim condensed financial statement for half year ended 30 September 2023. Customer contracts has been identified as a result of fair valuation of assets and liabilities on the date of acquisition as per IND AS 103. Refer note 37 for further details.

Note 5: Capital work-in-progress (CWIP)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Opening balance	782.13	36.42
Additions	1,594.22	1,124.86
Transfer / capitalised / disposed	(124.22)	(379.15)
Total	**2,252.13**	**782.13**

Note 6: Investments

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Current		
Unquoted mutual funds (valued at fair value through profit or loss)		
Aggregate book and market value of unquoted investments	6,790.65	4,462.46
Total	**6,790.65**	**4,462.46**

Note 7: Other financial assets (unsecured, considered good) (carried at amortised cost)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Non-Current		
Service Concession Receivable	2,549.20	2,628.27
Less : Provision for expected credit loss	(182.63)	(182.63)
	2,366.57	**2,445.64**
VGF Receivable^	39.03	58.06
Security deposits	71.81	67.55
Bank deposits for remaining maturity of more than 12 months (refer note 12) #	1,111.36	102.69
Total	**3,588.77**	**2,673.94**
Current		
Contract assets - unbilled revenue*	2,819.18	2,817.85
Service Concession Receivable	333.61	337.00
Advances to suppliers	136.69	26.42
Interest accrued on deposits	166.38	140.17
Security deposits	20.19	1.15
Others	11.71	16.99
Total	**3,487.76**	**3,339.58**

* Unbilled revenue is the transmission charges and sale of solar power for the month of September 2023 amounting to Rs. 2,819.18 million (31 March 2023 : Rs. 2,817.85 million) billed in the month of October 2023.

^The Group was eligible to apply for the Viability Gap Funding (VGF) subject to the compliance of certain conditions of VGF Securitization Agreement, Letter of Intent and Power Purchase Agreement. During the previous year, the Group had, filed an application to the SECI requesting for VGF disbursement, confirming compliance with the terms and conditions attached to Grant, including creation of charge on 23 June 2021. The Group has received the VGF tranches from SECI during the current period.

Includes amount of Rs 772.40 million (31 March 2023: Rs. 79.40 millions) is kept in Debt Service Reserve Account ('DSRA') / Interest Service Reserve Account ('ISRA') as per borrowing agreements with lenders.

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(All amounts in Rs. million unless otherwise stated)

Note 8: Other assets (unsecured, considered good)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Non-Current		
Capital advances (unsecured, considered good)	294.14	259.08
Less: Provision for doubtful advances	-	(10.83)
	294.14	**248.25**
Deposits paid under dispute (refer note 34)	151.64	151.64
Deferred income on security deposit	72.58	74.55
Others	117.34	56.06
Total	**635.70**	**530.50**
Current		
Prepaid expenses	118.89	120.48
Balance with statutory authority	81.18	24.02
Deferred income on security deposit	3.96	3.96
Advance Gratuity Fund	8.13	8.13
Others	0.19	0.00
Total	**212.35**	**156.59**

Note 9: Inventories (at lower of cost or NRV)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Spares and consumables	248.78	53.71
Total	**248.78**	**53.71**

Note 10: Trade receivables (carried at amortised cost)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Trade receivables	6,044.41	4,186.29
Less: Allowance for doubtful debts	(13.03)	(6.08)
Total	**6,031.38**	**4,180.21**
Current portion	5,780.03	4,180.21
Non-current portion	251.35	-
Break-up of security details:		
-Secured, considered good	-	-
-Unsecured, considered good	6,031.38	4,180.21
-Trade receivables which have significant increase in credit risk	-	-
-Trade receivables - credit impaired	13.03	6.08
Impairment allowance (Allowance for bad and doubtful debts):		
-Unsecured, considered good	-	-
-Provision for impairment	-	-
-Trade receivables - credit impaired	(13.03)	(6.08)

Neither trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member within the Group.

Trade receivables are non-interest bearing and are generally due on invoicing / billing.

Note 11: Cash and cash equivalents (carried at amortized cost)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Balance with banks		
- in Current accounts	2,091.05	1,219.05
Deposit with original maturity of less than 3 months #	4,811.53	1,934.14
Cash in hand	0.18	-
Total	**6,902.76**	**3,153.19**

Includes amount of Rs. 75.70 million (31 March 2023: Rs. Nil) kept in Debt Service Reserve Account ('DSRA') / Interest Service Reserve Account ('ISRA') as per borrowing agreements with lenders.

Note 12: Other bank balances

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Non-Current		
Bank deposits with original maturity of more than 12 months	1,111.36	102.69
Amount disclosed under head other non current financial asset (refer note 7)	(1,111.36)	(102.69)
Total	**-**	**-**
Current		
Deposit with original maturity for more than 3 months but less than 12 months #	507.14	2,112.94
Deposit with original maturity for more than 12 months #	3,375.57	1,757.56
Earmarked balance on unclaimed distribution	14.68	13.04
Total	**3,897.39**	**3,883.54**

Includes the following amounts:

1. Rs. 3,896.97 million (31 March 2023: Rs. 2,993.76 million) is kept in interest service reserve account ('ISRA')/debt service reserve account ('DSRA') as per borrowing agreements with lenders.
2. Rs. 357.35 million (31 March 2023: Rs. 17.10 million) held as lien by bank against bank guarantees.

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Note 13: Unit Capital

	Number of units (In million)	Amount (Rs. in million)
Balance as at 01 April 2022	700.18	65,903.15
Units issued during the period	-	-
Balance as at 31 March 2023	**700.18**	**65,903.15**
Issued during the period (refer note i below)	30.80	4,035.00
Issue expenses (refer note ii below)	-	(58.52)
Balance as at 30 September 2023	**730.98**	**69,879.63**

Note:
i) The Group on 21 September 2023, allotted 30.80 million units on preferential basis to the eligible allottees for cash at a price of Rs. 131.00 per unit aggregating to Rs. 4035.00 million.
ii) Issue expenses of Rs. 58.52 million incurred in connection with issue of units had been reduced from the Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation.

Note 14: Other Equity

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Reserverves and Surplus		
Retained earnings/ (Accumulated deficit)		
Balance as per last financial statements	(16,331.90)	(11,724.03)
Add: Profit for the period	1,402.27	4,555.72
Less: Distribution paid to unitholders	(4,831.23)	(9,163.59)
Closing balance	**(19,760.86)**	**(16,331.90)**
Other Comprehensive Income (OCI)		
Balance as per last financial statements	5.70	3.14
Movement in OCI (net) during the period	-	2.56
Closing balance	**5.70**	**5.70**
Total	**(19,755.16)**	**(16,326.20)**

Nature and purpose of reserve:
Retained earnings are the profits/(loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to unitholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Interim Condensed Consolidated Statement of Profit and Loss.

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(All amounts in Rs. million unless otherwise stated)

Note 15: Borrowings (carried at amortised cost)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Non-Current		
Debentures		
6.65% - 8.20% Public NCD (secured)	9,792.90	9,886.75
7.11% Non-convertible debentures (secured)	4,350.00	4,350.00
8.60% Non-convertible debentures (secured)	2,500.00	2,500.00
7.85% Non-convertible debentures (secured)	4,965.17	4,961.90
7.917% Non-convertible debentures (secured)	4,971.88	4,970.49
7.53% Non-convertible debentures (secured)	2,495.42	2,494.26
9.10% Non-convertible debentures (secured)	-	2,996.63
7.00% Non-convertible debentures (secured)	-	2,496.24
7.7% Non-convertible debentures - Series R NCD [refer note (i)]	10,989.67	-
6.72% Non-convertible debentures (secured)	8,480.79	8,477.66
6.52% Non-convertible debentures (secured)	3,993.33	3,991.70
7.25% Non-convertible debentures (secured)	1,496.97	1,496.17
7.40% Non-convertible debentures (secured)	995.92	995.09
7.32% Non-convertible debentures (secured)	3,990.87	3,990.50
7.35% Non-convertible debentures - Series S NCD [refer note (i)]	15,746.31	-
7.84% Non-convertible debentures - Series U NCD [refer note (i)]	4,981.05	-
	79,750.28	**53,607.39**
Term loans		
Indian rupee loan from banks (secured) [refer note (ii)]	82,707.05	82,067.19
	82,707.05	**82,067.19**
Total	**1,62,457.33**	**1,35,674.58**

Current borrowings

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Current		
7.00% Non-convertible debentures (secured) [refer note (iii)]	84.31	-
7.50% Non-convertible debentures (secured) - Series T NCD [refer note (i)]	11,097.64	-
7.50% Non-convertible debentures (secured) - Series V NCD [refer note (i)]	899.81	-
7.70% Non-convertible debentures (secured) - Series R NCD [refer note (i)]	285.00	-
7.35% Non-convertible debentures - Series S NCD [refer note (i)]	589.38	-
6.65% - 8.20% Public NCD (secured)	101.53	-
9.10% Non-convertible debentures (secured)	2,990.35	-
8.40% Non-convertible debentures (secured) [refer note (iv)]	-	3,499.92
7.00% Non-convertible debentures (secured)	2,497.57	-
8.50% Non-convertible debentures (secured)	3,995.87	3,991.21
Indian rupee loan from banks (secured) [refer note (ii)]	1,913.00	1,765.60
Total	**24,454.46**	**9,256.73**
The above amount includes :		
Secured borrowings	1,86,911.79	1,44,931.31
Unsecured borrowings	-	-
Total borrowings	**1,86,911.79**	**1,44,931.31**

(i) Represents new secured non-convertible debentures that have been issued by the Group during the half year ended 30 September 2023.
(ii) During the half year ended 30 September 2023, the Group has taken new Indian rupee loan from banks of Rs. 8,500.00 million (31 March 2023: Rs. 22,700.00 million).
(iii) Represents Non-convertible debentures issued to Shapoorji Pallonji Solar Holdings Private Limited by TN Solar Power Energy Private Limited, Universal Mine developers Private Limited and Terralight Kanji Solar Private Limited. The NCDs are redeemable based on realization of disallowance w.r.t Capacity Utilization Factor (CUF) made by the Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO). These NCD's were acquired as part of acquisition of VRET.

(iv) This has been repaid during the current period.

Terms & Conditions
(A) Non-convertible debentures referred above are secured to the extent of:
(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust/Hold cos to its subsidiaries (direct or indirect) including loans to all project SPVs;
(ii) First pari-passu charge on Escrow account of the Trust;
(iii) Pledge of 99% over the equity share capital of all SPVs except pledge of 73% over the equity share capital of PrKTCL.
(iv) first and exclusive charge on the ISRA/DSRA accounts created for the issue.
(v) first pari-passu charge/pledge over at least 99% of free and available share capital of Specified Other SPVs mentioned, excluding TL Sitamauss in respect of which 65% of free and available shares will be pledged.

(B) Term loan from bank referred above are secured to the extent of:
The Indian rupee term loan from bank carries interest at the rate of 7.00% to 8.40% payable monthly. Loan amount installments shall be repayable as per the payment schedule over 5 and 15 years from the date of disbursement. The term loan is secured by

(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust/Hold cos to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust;
(iii) Pledge of 99% over the equity share capital of all SPVs except pledge of 73% over the equity share capital of PrKTCL.
(iv) Exclusive charge on the ISRA/DSRA accounts created for respective facility.
(v) first pari-passu charge/pledge over at least 99% of free and available share capital of Specified Other SPVs mentioned, excluding TL Sitamauss in respect of which 65% of free and available shares will be pledged.

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(All amounts in Rs. million unless otherwise stated)

Repayment schedule

During the half year ended 30 September 2023, the Group has availed borrowing of Rs.53,400 million, repayment schedule of which is as below -

Particulars	Repayment Commencement Date	2024-2025	2025-2026	2026-2027	2027-28	2028-2029 & onward
7.70% Non-convertible debentures - Series R	30 June 2024	570.00	570.00	684.00	684.00	8,892.00
7.35% Non-convertible debentures - Series S	30 June 2024	1,178.76	1,178.76	1,178.76	1,178.76	11,784.96
7.50% Non-convertible debentures - Series T	26 August 2024	11,100.00	-	-	-	-
7.84% Non-convertible debentures - Series U	31 August 2029	-	-	-	-	5,000.00
7.50% Non-convertible debentures - Series V	26 August 2024	900.00	-	-	-	-
7.72% HSBC bank loan	20 August 2026	-	-	1,500.00	1,500.00	1,500.00
7.80% Federal bank loan	23 August 2028	-	-	-	-	4,000.00

Note 16: Leases

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Non-Current		
Lease liabilities	95.12	93.30
	95.12	**93.30**
Current		
Lease liabilities	29.37	25.03
	29.37	**25.03**

Note 17: Trade payables (carried at amortised cost)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Trade payables		
- total outstanding dues of micro and small enterprises	6.82	8.61
- total outstanding dues of creditors other than micro and small enterprises		
- to related parties (refer note 32)	91.54	101.20
- to others	766.65	639.54
Total	**865.01**	**749.35**

Note 18: Other financial liabilities

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Non-Current		
VGF liability	274.24	270.81
Others	40.72	40.77
Total	**314.96**	**311.58**
Current		
Other financial liabilities at amortised cost		
VGF liability	13.86	13.87
Interest accrued but not due on borrowings	899.33	984.33
Payables for purchase of property, plant and equipment	1,050.09	943.52
Distribution payable	14.29	13.04
Payable towards project acquired	1,397.73	1,318.98
Employee payable	32.90	35.34
Tariff payable to beneficiaries	895.72	895.72
Others*	438.15	3.00
Total	**4,742.07**	**4,207.80**

* Includes Rs. 434.50 million (31 March 2023:Rs. Nil) received in one of the subsidiary by encashing bank guarantee of a supplier shown under liabilities till the final settlement.

Note 19: Employee benefit obligations

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Non current		
Provision for gratuity	18.61	6.14
Provision for leave benefit	26.18	5.32
Total	**44.79**	**11.46**
Current		
Provision for gratuity	0.73	0.73
Provision for leave benefit	0.64	0.64
Long term incentive plan	10.54	17.52
Total	**11.91**	**18.89**

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(All amounts in Rs. million unless otherwise stated)

Note 20: Other liabilities

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Non current		
Deferred revenue	19.09	-
Total	**19.09**	**-**
Current		
Withholding taxes (TDS) payable	228.65	40.92
Advance from customers	490.57	270.52
Works Contract Tax (WCT) payable	7.88	0.38
Professional tax payable	0.43	0.25
GST payable	14.02	7.40
Provident fund payable	4.80	3.35
Others	85.21	89.25
Total	**831.56**	**412.07**

Note 21: Deferred tax liability (net)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Deferred tax liability		
Property, plant and equipment : Impact of difference between tax depreciation and depreciation/amortisation for financial reporting	19,878.27	16,519.39
Service concession recievable : Impact of difference between tax depreciation and effective rate of interest for financial reporting	555.94	231.81
Recoverable from beneficiaries	(648.74)	(648.74)
Gross deferred tax liability (A)	**19,785.47**	**16,102.46**
Deferred tax asset		
Financial assets	27.16	69.91
Tax Losses	16,229.39	15,074.36
Gross deferred tax asset (B)	**16,256.55**	**15,144.27**
Net deferred tax liability (A-B)	**3,528.92**	**958.19**

Note 22: Revenue from contracts with customers

	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
22.1: Disaggregated revenue information		
Type of service		
Power transmission services	12,199.21	10,946.33
Revenue from sale of electricitiy (solar)	1,042.79	472.67
Total	**13,242.00**	**11,419.00**
Location		
India	13,242.00	11,419.00
Outside India	-	-
Total	**13,242.00**	**11,419.00**
Timing of revenue recognition		
Services transferred over time	13,242.00	11,419.00
Total	**13,242.00**	**11,419.00**

22.2: Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price

	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Revenue as per contracted price	12,748.29	11,162.22
Adjustments:		
Incentives earned for higher asset availabilities	413.58	285.33
Surcharges received for late payments	135.42	35.07
Rebates given for early payments	(55.29)	(63.62)
Total revenue from contracts with customers	**13,242.00**	**11,419.00**

Note 23: Other Income

	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Sale of scrap	22.33	84.65
Liabilities no long required written back	12.07	-
Deferred income on VGF	10.12	25.44
Miscellaneous income	9.40	39.06
Total	**53.92**	**149.15**

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(All amounts in Rs. million unless otherwise stated)

Note 24: Employee Benefit Expenses

	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Salaries, wages and bonus	681.00	157.21
Contribution to provident fund	6.58	5.64
Long term incentive plan	8.34	-
Gratuity expense	2.53	2.11
Staff welfare expenses	12.99	13.14
Total	**711.44**	**178.10**

Note 25: Investment management fees

	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Investment management fees (refer note 32)	590.02	221.19
Total	**590.02**	**221.19**

Note: Pursuant to the Investment Management Agreement dated 25 August 2023 as amended, Investment Manager is entitled to fees @ 1.75% of difference between revenue from operations and operating expenses (other than fees of the Investment Manager) of each SPV per annum or 0.25% of AUM, whichever is lower. For this purpose, operating expenses would not include depreciation, finance costs and income tax expense. There are no changes in the methodology of computation of fees paid to Investment Manager.
Further, during the current period, on the basis of approvals obtained from the board of directors and audit committee in a meeting dated 12 May 2023 and unitholders in the extraordinary general meeting dated 06 June 2023, the investment management agreement is revised to include an acquisition fee amounting to 0.5% of Enterprise Value of assets acquired, subject to achieving Distribution Per Unit (DPU) guidance. Accordingly, acquisition fee amounting to Rs. 341.00 million has been provided in the books to the investment manager during the half year ended 30 September 2023 for new acquisitions done during this period.

Note 26: Other expenses

	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Power and fuel	19.74	27.03
Rent	5.57	3.61
Rates and taxes	153.16	65.65
Vehicle hire charges	22.93	26.07
Director Sitting Fee	4.99	2.27
Security charges	-	22.22
Bay Charges	40.55	70.04
Advertisement expenses	2.31	1.52
Right of way charges	3.95	6.41
Corporate social responsibility	4.21	5.25
Miscellaneous expenses	72.60	69.36
Total	**330.01**	**299.43**

Note 27: Finance Costs

	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Interest on borrowings #	5,983.88	5,064.44
Other bank and finance charges	63.11	4.51
Interest expense on lease liabilities (refer note 3a)	4.70	1.77
Total	**6,051.69**	**5,070.72**

Includes foreign exchange loss which is considered as adjustment to borrowing cost amounting to Rs. Nil (30 September 2022: Rs. 53.23 million)

Note 28: Depreciation and amortization expense

	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Depreciation of property, plant and equipments	4,013.52	3,459.81
Depreciation on Right of use assets	9.74	7.12
Amortisation of intangible assets	113.07	19.24
Total	**4,136.33**	**3,486.17**

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Note 29: Earnings per unit (EPU)

Basic EPU amounts are calculated by dividing the profit for the period attributable to unit holders by the weighted average number of units outstanding during the period.

Diluted EPU amounts are calculated by dividing the profit for the period attributable to unit holders by the weighted average number of units outstanding during the period plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

The following reflects in the profit and unit data used in the basic and diluted EPU computation	**For the half year ended 30 September 2023 (Unaudited)**	**For the half year ended 30 September 2022 (Unaudited)**
A. Including Regulatory deferral income/expense		
Profit after tax attributable to parent for calculating basic and diluted EPU (Rs. in million)	1,402.27	2,031.77
Weighted average number of units in calculating basic and diluted EPU (Number in million)	701.69	700.18
Earnings Per Unit:		
Basic and Diluted (Rs./unit)	2.00	2.90
B. Excluding Regulatory deferral income/expense		
Profit after tax attributable to parent for calculating basic and diluted EPU (Rs. in million)	1,402.93	2,032.51
Weighted average number of units in calculating basic and diluted EPU (Number in million)	701.69	700.18
Earnings Per Unit:		
Basic and Diluted (Rs./unit)	2.00	2.90

The group doesn't have any outstanding dilutive potential instruments.

Note 30: Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group’s accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

i. Applicability of Appendix D - Service Concession Arrangements of Ind AS 115 Revenue from contracts with customers

The Group through its subsidiaries acts as a transmission licensee under the Electricity Act, 2003 holding valid licenses for 25-35 years. The subsidiaries have entered into Transmission Services Agreements ("TSA") with Long Term Transmission Customers ("LTTC") through a tariff based bidding process to Build, Own, Operate and Maintain ("BOOM") the transmission infrastructure for a period of 25-35 years. The management of the Company is of the view that the grantor as defined under Appendix D of Ind AS 115 ("Appendix D") requires transmission licensee to obtain various approvals under the regulatory framework to conduct its operations both during the period of the license as well as at the end of the license period. However, in the view of management, the grantor’s involvement and approvals are to protect public interest and are not intended to control, through ownership, beneficial entitlement or otherwise, any significant residual interest in the transmission infrastructure at the end of the term of the arrangement. Accordingly, management is of the view that Appendix D to Ind AS 115 is not applicable to the Group for all transmission infrastructure operating on a BOOM basis. The Group also holds transmission infrastructure pertaining to Jhajjar KT Transco Private Limited which operates on a Design, build, finance, operate and transfer ("DBFOT") basis. The company has operating and maintaining the power transmission system including sub-station constructed to provide services for a specified period of time in accordance with the transmission agreement entered into with the grantor. Under Appendix D to Ind AS 115, this arrangement is considered as Service Concession Arrangement and in accordance with para 16 of the Appendix D to Ind AS 115, rights to receive the consideration from the grantor for providing services has been recognised as "financial assets". Accordingly the Group is of the view that Appendix D - Service Concession Arrangements of Ind AS 115 Revenue from contracts with customers is applicable to this infrastructure asset.

ii. Classification of Unitholders’ funds

Under the provisions of the InvIT Regulations, IndiGrid is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of IndiGrid for each financial year. Accordingly, a portion of the unitholders’ funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders’ funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 issued under the InvIT Regulations, the unitholders’ funds have been classified as equity in order to comply with the mandatory requirements of Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 dealing with the minimum disclosures for key financial statements. In line with the above, the dividend payable to unit holders is recognised as liability when the same is approved by the Investment Manager.

iii. Acquisition of SPVs classified as asset acquisitions or business combination

The Group acquires operational transmission SPVs/ Solar SPVs. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities and assets, including property, is acquired. More specifically, consideration is given to the extent to which substantive processes are acquired and, in particular, the extent of services provided by the subsidiary.

In accounting for business combinations, Judgement is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Estimating the acquisition date fair value of the identifiable assets acquired, useful life thereof and liabilities assumed involves management Judgement. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the management. Changes in these Judgements, estimates and assumptions can materially affect the results of operations.

When the acquisition of an asset or group of assets does not constitute a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the individual identified assets and liabilities acquired based upon their relative fair values and no goodwill or deferred tax is recognised.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group’s cash-generating units that are expected to benefit from the combination. In performing such impairment assessments, management compared the carrying value of each of the identifiable cash generating units (“CGUs”) to which goodwill had been allocated with their respective ‘value in use’ computed based on discounted cash flow method, to determine if any impairment loss should be recognised. The discounted cash flow method involves estimating future cash flows, growth rates and discount rates which require significant management judgement

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iv. Consolidation of Khargone Transmission Limited ('KhTL') as a subsidiary

The Group acquired 49% of paid up equity capital of Khargone Transmission Limited ("KhTL") with effect from 02 March 2023 from Sterlite Power Transmission Limited (SPTL)) (referred as "the seller") pursuant to Share Purchase Agreement dated 21 January 2023 ("SPA"). The Group has finalised purchase consideration for acquisition of entire stake in KhTL and has entered into a binding agreement with the Seller to acquire remaining 51% paid up equity capital in KhTL from the Seller. The Group has beneficial interest based on the rights available to it under the SPA.

Based on the contractual terms of the agreement, the Group has following rights:

•Right to nominate all directors on the board of directors of the KhTL;
•Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of KhTL;
•Non-disposal undertaking from the selling shareholders for the remaining 51% equity stake in KhTL;

Considering the requirements under Ind AS 110, the Group has assessed whether it controls KhTL on the basis the above rights under the agreement and the fact that the Group has acquired 49% and have paid for the balance 51% consideration (subject to certain agreed hold back amount). Based on the assessment, management has concluded that the Group controls KhTL in spite of the fact that it has acquired only 49% of the paid up capital of KhTL.

Accordingly, the Group has consolidated KhTL assuming 100% equity ownership and no non-controlling interest (NCI) has been recognised in the consolidated Ind AS financial statements. Remaining purchase consideration payable to the selling shareholders is recognized as financial liability in the consolidated Ind AS financial statements.

v. Consolidation of NER and GPTL as a subsidiary

The Group had acquired 49% and have paid for the balance 51% consideration (subject to certain agreed hold back amount) of NER & GPTL . Based on the assessment, management has concluded that the Group controls both entities in spite of the fact that it has acquired only 49% of the paid up capital of both entities. Further, based on the legal opinion both the entities are considered as Special Purpose Vehicle as per requirements of Securities Exchange Board of India's Invite Regulations.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities or fair value disclosures within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Fair valuation and disclosures

SEBI Circulars issued under the InvIT Regulations require disclosures relating to net assets at fair value and total returns at fair value (refer note 31A and 31B).
In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Group engages independent qualified external valuers to perform the valuation. The management works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the valuation report and findings to the Board of the Investment Manager quarterly to explain the cause of fluctuations in the fair value of the transmission / solar projects. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc. Changes in assumptions about these factors could affect the fair value.

(b) Impairment of assets other than financial assets

Assets other than financial assets of the Group primarily comprise of property, plant & equipment, goodwill and service concession recievable.

The provision for impairment/(reversal) of impairment of assets other than financial assets is made based on the difference between the carrying amounts and the recoverable amounts. The recoverable amount has been computed by external independent valuation experts based on value in use calculation for the underlying transmission / solar projects of SPV's (based on discounted cash flow model). On a periodic basis, according to the recoverable amounts of individual portfolio assets computed by the valuation experts, the Group tests impairment on the amounts invested in the respective subsidiaries of company. The valuation exercise so carried out considers various factors including cash flow projections, changes in interest rates, discount rates, risk premium for market conditions. The key assumptions used to determine the recoverable amount for the different SPV's , including a sensitivity analysis, are disclosed and further explained in note 31B.

(c) Useful life of Property, plant and equipment and intangibles

The management estimates the useful life and residual value of property, plant and equipment and other intangible assets based on technical estimates. These assumptions are reviewed at each reporting date.

(d) Contingencies

Refer Note 34 - Recognition and measurement of provision and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources

(e) Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

(f) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

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(All amounts in Rs. million unless otherwise stated)

Note 31A: Fair value measurements

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

Particulars	Carrying value		Fair value	
	30 September 2023	31 March 2023	30 September 2023	31 March 2023
Financial assets at amortized cost				
Trade receivables	6,031.38	4,180.21	6,031.38	4,180.21
Cash & cash equivalent	6,902.76	3,166.23	6,902.76	3,166.23
Other bank balance	3,897.39	3,870.50	3,897.39	3,870.50
Other financial assets	7,076.53	6,013.52	7,076.53	6,013.52
Financial assets at Fair Value				
Investments in mutual funds	6,790.65	4,462.46	6,790.65	4,462.46
Total	**30,698.71**	**21,692.92**	**30,698.71**	**21,692.92**
Financial liabilities at amortized cost				
Borrowings	1,86,911.79	1,44,931.31	1,86,911.79	1,44,931.31
Trade payables	865.01	749.35	865.01	749.35
Lease Liabilities	124.49	118.33	124.49	118.33
Other financial liabilities	5,057.03	4,519.38	5,057.03	4,519.38
Total	**1,92,958.32**	**1,50,318.37**	**1,92,958.32**	**1,50,318.37**

The management has assessed that the financial assets and financial liabilities as at period end are reasonable approximations of their fair values except for investment in unquoted mutual fund as disclosed above.

The Group is required to present the statement of total assets at fair value and statement of total returns at fair value as per SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as a part of these financial statements- Refer Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.

The inputs to the valuation models for computation of fair value of assets for the above mentioned statements are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc.

The significant unobservable inputs used in the fair value measurement required for disclosures categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 30 September 2023 and 31 March 2023 are as shown below:

Description of significant unobservable inputs to valuation:

Significant unobservable inputs	Input for 30 September 2023	Input for 31 March 2023	Sensitivity of input to the fair value	Increase /(decrease) in fair value	
				30 September 2023	31 March 2023
WACC	7.63% to 8.72%	7.70% to 8.53%	+ 0.5%	(11,908.06)	(10,744.00)
			- 0.5%	13,298.80	10,446.00
Tax rate	Normal Tax - 25.168%	Normal Tax - 25.168%	+ 2%	(1,057.01)	(580.08)
			- 2%	1,012.03	531.80
Inflation rate	Revenue(Escalable): 5.00%	Revenue(Escalable): 5.00%	+ 1%	(1,271.67)	(3,127.86)
	Expenses: 2.00% to 4.75%	Expenses: 2.14% to 4.75%	- 1%	858.86	2,574.20

Note 31B: Fair value hierarchy

The management has assessed that the financial assets and financial liabilities as at period end other than above are reasonable approximations of their fair values.

Quantitative disclosures fair value measurement hierarchy for assets as at 30 September 2023 and 31 March 2023:	Date of valuation	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets for which fair values are disclosed:				
Property, plant and equipment, goodwill and service concession receivable *	30 September 2023	-	-	2,46,457.90
	31 March 2023	-	-	2,23,315.41
Investments in mutual funds	30 September 2023	-	6,790.65	-
	31 March 2023	-	4,462.46	-

There have been no transfers among Level 1, Level 2 and Level 3.
* Statement of net asset at fair value and statement of total returns at fair value require disclosures regarding fair value of assets (liabilities at considered at book values). Since the fair values of assets other than property, plant and equipment and service concession approximate their book values, hence only property, plant and equipment, goodwill and service concession has been disclosed above.

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Note 32: Related party disclosures

I. List of related parties as per the requirements of Ind AS 24 - Related Party Disclosures

(a) Entity with significant influence over the Trust
Esoteric II Pte. Ltd - Inducted Sponsor of IndiGrid (EPL)
Sterlite Power Transmission Limited (SPTL) - Sponsor of IndiGrid (Declassified as sponsor wef 06 July 2023)
Indigrid Investment Managers Limited (IIML) - Investment manager of IndiGrid

II. List of related parties as per Regulation 2(1)(zv) of the InvIT Regulations

(a) Parties to IndiGrid
Esoteric II Pte. Ltd - Inducted Sponsor of IndiGrid (EPL)
Sterlite Power Transmission Limited (SPTL) - Sponsor of IndiGrid (Declassified as sponsor wef 06 July 2023)
Indigrid Investment Managers Limited (IIML) - Investment manager of IndiGrid
Axis Trustee Services Limited (ATSL) - Trustee of IndiGrid (Axis Bank Ltd is Promoter)

(b) Promoters of the parties to IndiGrid specified in (a) above
KKR Ingrid Co-Invest L.P.- Cayman Island - Promoter of EPL
Twin Star Overseas Limited - Promoter of SPTL
Electron IM Pte. Ltd. - Promoter of IIML (Parent with 100% holding of IIML)
Axis Capital Limited - Subsidiary of Promoter of Trustee
Axis Bank Limited - Promoter of ATSL

(c) Directors of the parties to IndiGrid specified in (a) above
Directors of SPTL (till 06 July 2023):
Pravin Agarwal
Pratik Agarwal
A. R. Narayanaswamy
Anoop Seth
Manish Agarwal
Kamaljeet Kaur (from 29 June 2022)

Directors of IIML:
Harsh Shah (CEO & Whole-time director) (till 30 June 2022 and re-joined from 30 August 2022)
Jyoti Kumar Agarwal (CFO) (till 30 June 2022) and (CEO & Whole-time director) (from 01 July 2022 till 30 September 2022)
Tarun Kataria
Rahul Asthana (till 25 December 2022)
Ashok Sethi
Hardik Shah
Jayashree Vaidhyanthan
Ami Momaya (from 27 January 2022)

Key Managerial Personnel of IIML:
Harsh Shah (CEO & Whole-time director) (till 30 June 2022 and re-joined from 30 August 2022)
Navin Sharma (CFO) (from 19 April 2023)
Urmil Shah (Company Secretary) (from 01 August 2022)
Jyoti Kumar Agarwal (CFO) (till 30 June 2022) and (CEO & Whole-time director) (from 01 July 2022 till 30 September 2022)
Divya Bedi Verma (CFO) (from 01 July 2022 till 15 February 2023)
Swapnil Patil (Company Secretary) (till 31 July 2022)

Directors of ATSL:
Rajesh Kumar Dahiya
Ganesh Sankaran
Deepa Rath

Directors of Esoteric II Pte. Ltd.:
Tang Jin Rong
Madhura Narawane

Directors of Subsidiaries:
Mehgana Pandit
Satish Talmale
Kundan Kishore

Relative of directors mentioned above:
Sonakshi Agarwal
Sujata Asthana (till 25 December 2022)

Relative of sponsor mentioned above:
Terra Asia Holdings II Pte. Ltd. ("Terra")*

*In accordance with Regulation 2(1)(zv) of the InvIT Regulations, the seller of the units of VRET being Terra Asia Holdings II Pte. Ltd. ("Terra"), is controlled and/or managed and/or advised, solely by Kohlberg Kravis Roberts & Co. L.P., or by its affiliates (together, the "KKR Group"), along with one of our sponsors, and is a related party of IndiGrid.

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(All amounts in Rs. million unless otherwise stated)

III. The transactions with related parties during the period are as follows:-

Particulars	Relation	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
1. Adjustment in consideration for equity shares of Indigrid 1 Limited on account of events mentioned in SPA			
Sterlite Power Transmission Limited	Sponsor and Project Manager/	45.48	77.31
2. Distribution to unit holders			
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)	Investment manager of IndiGrid	3.81	3.60
Esoteric II Pte. Ltd	Sponsor/Entity with significant	1,144.72	1,076.29
Harsh Shah	Key management person	0.34	0.13
Swapnil Patil	Key management person	-	0.04
Sonakshi Agarwal	Relative of director	-	0.12
Sujata Asthana	Relative of director	-	0.79
A. R. Narayanaswamy	Director of Sponsor (SPTL)	0.07	0.12
Navin Sharma	Key management person	0.01	-
Urmil Shah	Key management person	0.01	-
Mehgana Pandit	Director of Subsidiary	0.05	-
Satish Talmale	Director of Subsidiary	0.03	-
Kundan Kishore	Director of Subsidiary	0.02	-
3. Trustee fee			
Axis Trustee Services Limited (ATSL)	Trustee	2.36	2.16
4. Project management fees			
Sterlite Power Transmission Limited	Sponsor	0.35	0.71
5. Investment Management Fees			
Indigrid Investment Managers Limited	Investment manager of IndiGrid	590.02	221.19
6. Consideration for equity shares of NER on account of events mentioned in SPA			
Sterlite Power Transmission Limited	Sponsor	8.80	242.20
7. Purchase of Project stores			
Sterlite Power Transmission Limited	Sponsor	-	5.53
8. Advance given for stores			
Sterlite Power Transmission Limited	Sponsor	-	7.29
9. Reimbursement of Expenses			
Axis Capital Ltd	Subsidiary of Promoter of Axis Trustee	27.28	-
10. Amount recovered			
Sterlite Power Transmission Limited	Sponsor	-	7.16
11. Directors sitting fees			
Prabhakar singh	Independent Director	2.50	2.60
Rahul Asthana	Independent Director	2.70	-
12. Acquisition of 100% of units in Virescent Renewable Energy Trust ("Unit Acquisition") along with all the SPVs			
Terra Asia Holdings II Pte. Ltd. ("Terra")	Related party of Sponsor	22,994.40	-
13. Acquisition of 100% share capital of Virescent Infrastructure Investment Manager Private Limited ("VIIMPL") along with its wholly owned subsidiary, Virescent Renewable Energy Project Manager Private Limited ("VREPMPL")			
Terra Asia Holdings II Pte. Ltd. ("Terra")	Related party of Sponsor	184.71	-
14. Brokerage Charge paid on acquision of VRET along with SPV's			
Axis Capital Ltd	Subsidiary of Promoter of Axis Trustee	13.57	-
15. Interest on Term loans			
Axis Bank Limited	Promoter of Axis Trustee Services Limited	706.54	675.25
16. Term Loan availed			
Axis Bank Limited	Promoter of Axis Trustee Services Limited	-	5,000.00
17. Term Loan repaid			
Axis Bank Limited	Promoter of Axis Trustee Services Limited	225.00	125.00
18. Net Term Deposit - created / (redeemed)			
Axis Bank Limited	Promoter of Axis Trustee Services Limited	(1,050.37)	(275.00)
19. Interest Income on Term Deposit			
Axis Bank Limited	Promoter of Axis Trustee Services Limited	75.99	48.92
20. Upfront fees paid towards Term Loan			
Axis Bank Limited	Promoter of Axis Trustee Services Limited	51.67	14.75
21. Indemnification Income (NER)			
Sterlite Power Transmission Limited	Sponsor	-	34.70

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IV. The outstanding balances of related parties are as follows:-

Particulars	Relation	30 September 2023	31 March 2023
1. Project Manager fees payable			
Sterlite Power Transmission Limited	Sponsor	-	1.69
2. Investment Manager fees payable			
Indigrid Investment Managers Limited (IIML)	Investment manager of IndiGrid	91.54	99.34
3. Payable towards project acquired			
Sterlite Power Transmission Limited	Sponsor	-	1,291.19
4. Management fees payable			
Sterlite Power Transmission Limited	Sponsor	-	0.16
5. Deposits given			
Sterlite Power Transmission Limited	Sponsor	-	36.00
6. Outstanding Term Loan			
Axis Bank Limited	Promoter of Axis Trustee Services Limited	19,330.67	19,568.80
7. Outstanding Term Deposit			
Axis Bank Limited	Promoter of Axis Trustee Services Limited	2,292.43	3,342.80
8. Interest Accrued on Term Deposit			
Axis Bank Limited	Promoter of Axis Trustee Services Limited	57.98	48.96

V. Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.6.6 of chapter 4 of SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder ("SEBI Circulars") are as follows:

For the half year ended 30 September 2023:

In current period the Group has acquired VRET and details required are as follows:

(A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):

Rs. In million

Particulars	VRET	Virescent IM
Enterprise value agreed for acquisition	38,544.00	184.71
Enterprise value as per Independent valuer	40,322.00	192.00
Method of valuation	Discounted cash flow	Discounted cash flow
Discounting rate (WACC)	7.8% - 8.70%	14.20%

(B) Material conditions or obligations in relation to the transactions:

There are no open material conditions / obligations related to above transaction, other than regulatory approvals obtained by the Group.

(C) Rate of interest for external financing:

The Group has availed external financing at the rate of interest ranging from 7.35% to 7.84% to finance this acquisition.

(D) Any fees or comission paid :
The Group has also paid investment management fee and brokerage of Rs 237.75 million and Rs 13.57 million including taxes respectively for the purpose of this acquisition (refer note 32 III).

For the half year ended 30 September 2022:

No acquisitions were made during the half year ended 30 September 2022.

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(All amounts in Rs. million unless otherwise stated)

Note 33: Capital and other Commitments

(a) The Group has entered into a framework agreement with G R Infraprojects Limited ('GRIL') to acquire 100% stake in Rajgarh Transmission Limited. Cost of the acquisition will be finalized on the date of acquisition.

(b) The Group has entered into transmission services agreement (TSA) with long term transmission customers pursuant to which the Group has to transmit power of contracted capacity and ensure minimum availability of transmission line over the period of the TSA. The TSA contains provision for disincentives and penalties in case of certain defaults.

(c) The Group has taken office building on lease which has lease term of 5-9 years with lock-in-period of 3 years

(d) The Group has entered into Power Purchase Agreement ('PPA') with various DISCOM's for solar entities, where the respective solar entity is required to sell power at a pre-fixed tariff rates agreed as per PPA for an agreed period.

(e) The Group has entered into an Implementation and Support Agreement with Andhra Pradesh Solar Power Corporation Private Limited (APSPCL). Annual O&M charges are payable for the period of 25 years from the commercial operation date to APSPCL

Note 34: Contingent liability

Particulars	**30 September 2023**	**31 March 2023**
Claim against the Group not acknowledged as debt		
- Entry tax demand (refer note A)	432.59	432.59
- VAT/CST Demand (refer note B)	20.09	23.69
- Other Demands (refer note C)	325.93	325.93
- income tax demand (refer note D below)	98.83	-
Total	**877.44**	**782.21**

A. (i) Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Madhya Pradesh. Out of the total demand Rs. 138.75 million (31 March 2023: Rs. 138.75 million) pertains to Jabalpur Transmission Company Limited ('JTCL'), Rs. 165.80 million (31 March 2023: Rs. 165.80 million) pertains to Bhopal Dhule Transmission Company Limited ('BDTCL') and Rs. 13.30 million (31 March 2023: Rs. 13.30 million) pertains to RAPP Transmission Company Limited ('RTCL') which is pending with High Court, Jabalpur.

(ii) Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Madhya Pradesh. The total demand Rs. 1.33 million (31 March 2023: Rs. 1.33 million) pertains to Bhopal Dhule Transmission Company Limited ('BDTCL') which is pending with Commissioner (Appeals).

(iii) Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Chhattisgarh. The total demand Rs. 113.41 million (31 March 2023: Rs. 113.41 million) pertains to Jabalpur Transmission Company Limited ('JTCL') out of which Rs. 51.55 million (31 March 2023: Rs. 51.55 million) is pending with the Chhattisgarh High Court, Rs. 40.50 million (31 March 2023: Rs. 40.50 million) is pending with Chairman Chhattisgarh Commercial tax Tribunal, Raipur (C.G.) and Rs. 21.36 million (31 March 2023: Rs. 21.36 million) the notice for assessment has been received in the month of October 2020 for which the Group has applied for a certified copy of the Assessment Order on 29 October 2020 and is still awaiting a copy of the same.

B. (i) Sales tax demand of Rs. 17.99 million (31 March 2023: Rs. 17.99 million) for Indigrid Limited (IGL) pertains to demand under Delhi VAT Act, 2004 for non-submission of C Forms for FY 2015-16. The Group has filed an objection against the order with Assistant Commissioner of Delhi VAT Authorities.

(ii) VAT demand notice of Rs. 2.10 million (31 March 2023: Rs. 5.70 million) for Purulia & Kharagpur Transmission Company Limited (PKTCL) pertains to Jharkhand VAT Act, 2005. The Group has received the notice for assessment in the month of January 2020 and various submissions along with the requisite details and documents were made to the officer. The Group further applied for a certified copy of the Assessment Order on 01 October 2020 and is still awaiting a copy of the same.

During the period ended 30 September 2023, VAT demand of Rs. 3.60 million has been settled under the amnesty scheme of Jharkand Government and the same has been indemnified by seller of PKTCL.

C. (i) During the financial year 2019-20, land owners have filed a case with the District Court, Jhajjar, Haryana towards compensation and interest thereon for the value of land over which the transmission line is passing. The Group is of the view that required amount of compensation to these landowners have already been paid and no further compensation is payable. Further, these litigations are barred by limitations. Based on the legal advice, the Group does not anticipate any liability against the same and has disclosed a contingent liability of Rs. Nil (31 March 2023: Rs. Nil Million).

(ii) It includes an amount of Rs. 113.27 million (31 March 2023: Rs. 113.27 million) for claims from farmers for additional Right of Way (RoW) compensation made against one of the subsidiaries.

(iii) Further it includes an amount of Rs. 212.66 million (31 March 2023: 212.66 million) for claims from one of the erstwhile EPC contract vendor against two of the subsidiaries.

D. The income tax demand of Rs. 98.83 million pertains new entites acquired during the half year ended 30 September 2023 and the same is recoverable as per share purchase agreement from selling shareholders.

Others
The total contingent liability (except ROW and GST claim against ISPL 1 and ISPL 2) is recoverable as per share purchase agreement from selling shareholders.

The Investment Manager of the Trust received a show cause notice from Securities and Exchange Board of India (SEBI) pursuant to an inspection of the Investment Manager and the Trust. The management has responded to such notice and the final outcome is awaited. The management believes that it has sufficient grounds to counter the observations based on facts and the outcome will not have any material adverse effect on Group's financial position and results of operations.

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INDIA GRID TRUST
Notes to Interim Condensed Consolidated Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

Note 35: Segment reporting

The activities of the IndiGrid Group includes owning, operating, and managing power transmission networks and solar assets. Given the nature of the Group's diversified operations and in accordance with the guidelines set forth in Ind AS - 108 - "Operating Segments," management has identified two distinct reportable business segments as "Power Transmission segment" and "Power generation segment". Power Generation segment includes entities in the business of generating power through renewable sources such as solar etc. These segments play a crucial role in resource allocation and performance measurement, as they are closely monitored and evaluated by the Chief Operating Decision Maker (CODM). Chief executive officer is the CODM of the Group who monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

Following are the details of segment wise revenue, results, segment assets and segment liabilities

Particulars	For the half year ended 30 September 2023* (Unaudited)
Segment Revenue	
Power Transmission	12,199.21
Power generation	1,042.79
Total	**13,242.00**
Segment Results	
Profit/ (Loss) Before Interest and Tax	
Power Transmission	7,713.36
Power generation	435.06
Unallocable	(1,032.80)
Total Profit/ (Loss) Before Interest and Tax	**7,115.62**
Less : Finance cost	(6,051.69)
Add: Finance and other income	451.32
Total Profit/ (Loss) Before Tax	**1,515.25**
Tax expenses	54.53
Profit for the period	**1,460.72**
Segment Assets	
Power Transmission	1,91,978.71
Power generation	46,108.65
Unallocable	10,323.80
Total assets	**2,48,411.16**
Segment Liabilities	
Power Transmission	6,908.60
Power generation	1,067.67
Unallocable	1,89,442.30
Total Liabilities	**1,97,418.57**

*Segment reporting is applicable from current period as per Ind AS-108 - "Operating Segment" due to acquisition of additional power generating assets resulting into a additional reportable segment. Para 18 of Ind AS-108 - "Operating Segment" requires to provide segement data for an operating segement which is identified as a reportable segement for the first time in the current period, unless the necessary information is not available and the cost to develop it would be excessive. Applying the practical expedient, comparative numbers have not been disclosed.

Revenue from one customer amounted to Rs. 12,015.40 million during the half year ended 30 September 2023 arising from power transmission service rendered to various parties and billed to Power Grid Corporation of India Limited (PGCIL) under invoice pooling machanism.

Geographic information

Non-current operating assets:

Particulars	30 September 2023	31 March 2023
India	2,15,935.99	1,79,194.08
Outside India	-	-
Total	**2,15,935.99**	**1,79,194.08**

Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets, intangible assets and capital work in progress.

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INDIA GRID TRUST
Notes to Interim Condensed Consolidated Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

Note 36: List of subsidiaries which are included in consolidation and IndiGrid's effective holding therein are as under:

Name of the Entity	Country of incorporation	Effective ownership as on 30 September 2023	Effective ownership as on 31 March 2023
Directly held by the Trust:			
Indigrid Limited ("IGL")	India	100%	100%
Indigrid 1 Limited ("IGL1")	India	100%	100%
Indigrid 2 Limited ("IGL2")	India	100%	100%
Patran Transmission Company Limited ("PTCL")	India	100%	100%
East-North Interconnection Company Limited ("ENICL")	India	100%	100%
Gurgaon-Palwal Transmission Limited ("GPTL")	India	49%	49%
Jhajjar KT Transco Private Limited ("JKTPL")	India	100%	100%
Parbati Koldam Transmission Company Limited ('PrKTCL')	India	74%	74%
NER II Transmission Limited ("NER")	India	49%	49%
IndiGrid Solar-I (AP) Private Limited ("ISP1")	India	100%	100%
IndiGrid Solar-II (AP) Private Limited ("ISP2")	India	100%	100%
Raichur Sholapur Transmission Company Private Limited ("RSTCPL")[1]	India	100%	100%
Khargone Transmission Limited ('KhTL')[2]	India	49%	49%
TN Solar Power Energy Private Limited ("TSPEPL")[3]	India	100%	0%
Universal Mine Developers And Service Providers Private Limited ("UMDSPPL")[3]	India	100%	0%
Terralight Kanji Solar Private Limited ("TKSPL")[3]	India	100%	0%
Terralight Rajapalayam Solar Private Limited ("TRSPL")[3]	India	100%	0%
Solar Edge Power And Energy Private Limited ("SEPEPL")[3]	India	100%	0%
Universal Saur Urja Private Limited ("USUPL")[3]	India	100%	0%
Terralight Solar Energy Charanka Private Limited ("TSECPL")[3]	India	100%	0%
Terralight Solar Energy Nangla Private Limited ("TSENPL")[3]	India	100%	0%
Terralight Solar Energy Patlasi Private Limited ("TSEPPL")[3]	India	100%	0%
Globus Steel And Power Private Limited ("GSPPL")[3]	India	100%	0%
Terralight Solar Energy Gadna Private Limited ("TSEGPV")[3]	India	100%	0%
Godawari Green Energy Private Limited ("GGEPL")[3]	India	100%	0%
Indirectly held by the Trust (through subsidiaries):			
Bhopal Dhule Transmission Company Limited ("BDTCL")	India	100%	100%
Jabalpur Transmission Company Limited ("JTCL")	India	100%	100%
Purulia & Kharagpur Transmission Company Limited ("PKTCL")	India	100%	100%
RAPP Transmission Company Limited ("RTCL")	India	100%	100%
Maheshwaram Transmission Limited ("MTL")	India	100%	100%
NRSS XXIX Transmission Limited ("NTL")	India	100%	100%
Odisha Generation Phase-II Transmission Limited ("OGPTL")	India	100%	100%
Kallam Transmission Limited ("KTL")	India	100%	100%
PLG Photovoltaic Private Limited ("PPPL")[3]	India	100%	0%
Terralight Solar Energy Tinwari Private Limited ("TSETPL")[3]	India	100%	0%
Terralight Solar Energy Sitamau Ss Private Limited ("TSESPL")[3]	India	66%	0%
Virescent Infrastructure Investment Manager Private Limited ("VIIMPL")[3]	India	100%	0%
Virescent Renewable Energy Project Manager Private Limited ("VREPMPL")[3]	India	100%	0%

1. The Group acquired 100% equity capital and management control of Raichur Sholapur Transmission Company Private Limited ('RSTCPL') with effect from 09 November 2022 from Simplex Infrastructure Limited, Patel Engineering Limited and BS Limited dated pursuant to Share Purchase Agreement dated 30 July 2022 (“SPA”)

2. The Group acquired 49% equity capital and management control of Khargone Transmission Limited ('KhTL') with effect from 02 March 2023 from Sterlite Power Transmission Limited dated pursuant to Share Purchase Agreement dated 21 January 2023 (“SPA”) . The Group has acquired 49% and have paid for the balance 51% consideration (subject to certain agreed hold back amount).Considering the rights available to the Group as per SPA, the Group has concluded that it controls KhTL, and have considered KhTL as a wholly owned subsidiary from 02 March 2023.

3. The Group has acquired 100% units in Virescent Renewable Energy Trust (‘Unit Acquisition’ in ‘VRET’) with effect from 25 August 2023. As per the regulatory approvals so obtained, the Group has dissolved VRET with an effective date of 08 September 2023 and such dissolution has resulted into 15 Special Purpose Vehicles (SPVs) of VRET becoming direct subsidiaries of IndiGrid. Other assets and liabilities of VRET as on the acquisition date are also disclosed as assets and liabilities of IndiGrid, with effect from the date of acquisition.

As a part of the above deal, Virescent Infrastructure Investment Manager Private Limited (Virescent IM) and Virescent Renewable Energy Project Manager Private Limited (Virescent PM) has also been acquired at a enterprise value of Rs 184.71 million on 08 September 2023 and will be merged with the Project Manager of IndiGrid as a pre-condition to the acquisition of VRET from regulators. Till the time the merger take effect the same are treated as separate SPV of the IndiGrid.

Necessary approvals have been taken by IndiGrid to give effect to the above acquisition.

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Note 37: Business Combination

The Group has acquired 100% units in Virescent Renewable Energy Trust ('Unit Acquisition' in 'VRET') with effect from 25 August 2023. As per the regulatory approvals so obtained, the Group has dissolved VRET with an effective date of 08 September 2023 and such dissolution has resulted into 15 Special Purpose Vehicles (SPVs) of VRET becoming direct subsidiaries of IndiGrid.

The Group has accounted the acquisition of VRET as business acquisition in accordance with Ind 103 "Business Combination" based on valuation done by independent valuer in the interim condensed financial statement for half year ended 30 September 2023. Detail of net assets acquired, resultant goodwill and customer contract recognized on provisional basis is given as per below table -

Particulars	VRET SPV's	Virescent IM
Fair value of assets and liabilities taken over		
- Cash and cash equivalents and other bank balance (A)	2,650.48	170.35
- Tangible assets other than cash balance (net of liabilities) (B)	21,366.11	14.36
- Intangible assets (Customer Contract) (C)	14,024.65	-
Total identifiable net assets (excluding DTL impact) (A+B+C)	**38,041.24**	**184.71**
Non-controlling interest (D)	(17.24)	-
Goodwill arising on acquisition (E)	520.00	-
Purchase consideration (A+B+C+D+E)	**38,544.00**	**184.71**
Deferred tax liability (DTL) on revaluation (F)	2,574.34	-
Goodwill (including DTL impact) (E+F)	**3,094.34**	-

Analysis of cash flows on acquisition:	VRET SPV's	Virescent IM
Transaction costs of the acquisition (included in cash flows from operating activities)	**(278.60)**	-
Net cash acquired with the subsidiaries (included in cash flows from investing activities)	**2,650.48**	**170.35**
Transaction costs attributable to issuance of shares (included in cash flows from financing activities, net of tax)	-	-
Net cash flow on acquisition	**2,371.88**	**170.35**

Notes:
(i) The goodwill of Rs. 3,094.34 million comprises the value of expected synergies arising from this acquisition. Whenever there will be impairment of goodwill, the same will be non deductible for tax purpose.
(ii) The deferred tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of tangible and intangible assets.
(iii) The fair value of receivables acquired is approximately equal to their book vaue.
(iv) There is no contingent consideration attached to this acquisition.
(v) The fair value of the non-controlling interest in Terralight Solar Energy Sitamau SS Private Limited has been estimated by applying a discounted earnings technique.
(vi) The Group acquired contingent liability of Rs. 98.83 million as a part of acquistion of VRET and the same is recoverable as per share purchase agreement from selling shareholders.

Ind AS 103 allows for a measurement period of 1 year from the date of acquisition to retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date. The group will finalize these provisional amounts within the period permitted under Ind AS 103 - Business combination.

From the date of acquisition, VRET SPV's has contributed Rs. 542.05 million of revenue and Rs. 488.78 million to the EBITDA of the Group. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been Rs. 15,454.15 million and EBITDA of the Group would have been Rs. 13,115.31 million.

Note 38: Subsequent event

On 03 November 2023, the Board of directors of the Investment Manager approved a distribution of Rs. 3.55 per unit for the period 01 July 2023 to 30 September 2023 which has been paid on 16 November 2023.

Note 39: Other Information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
(ii) The Group does not have any transactions with struck off Companies.
(iii) The Group have not traded or invested in Cryptocurrency or Virtual Currency during the financial period.
(iv) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
(v) The Group has not been declared as a wilful defaulter by any bank or financial institution or any other lender.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 05 December 2023

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 05 December 2023

Urmil Shah
Company Secretary
Membership Number : A23423
Place : Mumbai
Date : 05 December 2023

Navin Sharma
Chief Financial Officer
Place : Mumbai
Date : 05 December 2023

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of India Grid Trust

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of India Grid Trust (hereinafter referred to as "the InvIT") and its subsidiaries (the InvIT and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Statement of Changes in Unit Holder's Equity, the consolidated Statement of Cash Flow for the year then ended, the consolidated Statement of Net Assets at fair value as at March 31, 2023, the consolidated Statement of Total Returns at fair value, the Statement of Net Distributable Cash Flows ('NDCFs') of the InvIT, the underlying Holding Companies ("HoldCos") and each of its subsidiaries for the year then ended, and a summary of significant accounting policies and other explanatory notes (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended including any guidelines and circulars issued thereunder (together referred as the "InvIT Regulations") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent not inconsistent with InvIT regulations, of the consolidated state of affairs of the Group as at March 31, 2023, its consolidated profit including other comprehensive income, its consolidated cash movements and its consolidated movement of the unit holders' funds for the year ended March 31, 2023, its consolidated net assets at fair value as at March 31, 2023, its consolidated total returns at fair value and the net distributable cash flows of the InvIT, the underlying HoldCos and each of its subsidiaries for the year ended March 31, 2023.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the InvIT Regulations and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Non applicability of Appendix D 'Service Concession Arrangements' of Ind AS 115 </u>'Revenue from contracts with customers' (as described in Note 28 of the consolidated financial statements)</td></tr>
<tr><td>The Group through its subsidiaries acts as a transmission licensee under the Electricity Act, 2003 holding valid licenses for 25/35 years. Generally, the subsidiaries have entered into Transmission Services Agreements ("TSA") with Long Term Transmission Customers ("LTTC") through a tariff-based bidding process to Build, Own, Operate and Maintain ("BOOM")/ Build, Own and Operate ("BOO)" the transmission infrastructure for a period of 25/35 years or have entered into Power Purchase Agreements ("PPA") with Solar Energy Corporation of India ("SECI"), a limited liability company owned 100% by the Government of India, for development of solar power project, generation and sale of solar power with a contractual period of 25 years at a fixed tariff.

The Management of Investment Manager ("the management") is of the view that the grantor as defined under Appendix D of Ind AS 115 ("Appendix D") requires transmission licensee or solar power developer to obtain various approvals under the regulatory framework to conduct its operations both during the period of the license or power purchase agreement as well as at the end of the license period or expiry date of power purchase agreement. In the view of management, generally the grantor's involvement and approvals are to protect public interest and are not intended to control, through ownership, beneficial</td><td>Our audit procedures included, among others, the following:
We obtained and read the TSAs/ PPAs to understand roles and responsibilities of the grantor.
We read and evaluated the TSAs/ PPAs to understand whether the grantor controls significant residual interest in the infrastructure at the end of the term of the arrangement through ownership, beneficial ownership or otherwise.
We discussed with the management regarding the extent of grantor's involvement in the transmission/ solar assets and grantor's intention not to control the significant residual interest through ownership, beneficial entitlement or otherwise.
We assessed the positions taken by other entities in India with similar projects/TSAs/ PPAs as to the extent of involvement of the grantor and the consequent evaluation of the applicability of Appendix D for such entities and confirmed our understanding.
We read and assessed the disclosures included in the consolidated financial statements for compliance with the relevant accounting standards requirements.</td></tr>
</table>

Key audit matters	How our audit addressed the key audit matter
entitlement or otherwise, any significant residual interest in the transmission/solar infrastructure at the end of the term of the arrangement. Accordingly, management is of the view that Appendix D is not applicable to the Group for all transmission assets operating under BOOM/ BOO model and for Solar assets. Considering the judgement involved in determining the grantor's involvement and whether the grantor controls, through ownership, beneficial entitlement or otherwise, and any significant residual interest in the transmission/solar infrastructure at the end of the term of the arrangement, this is considered as a key audit matter.	
<u>Key judgements and estimates used in the application of Appendix D 'Service Concession Arrangements' of Ind AS 115 'Revenue from contracts with customers' a subsidiary of the Group - Jhajjar KT Transco Private Limited (JKTPL)</u> *(as described in Note 28 of the consolidated financial statements)*	
JKTPL acts as a transmission licensee under the Electricity Act, 2003 holding valid licenses for 25 years issued by Haryana Electricity Regulation Commission. JKTPL has entered into TSA with Haryana Vidyut Prasaran Nigam Limited through a tariff-based bidding process to Design, Build, Finance, Operate and Transfer ("DBFOT") the transmission infrastructure for a period of 25 years. The Group constructs transmission infrastructure and operates and maintains such infrastructure for a specified period of time. The infrastructure constructed by the Group is not recorded as property, plant and equipment of the Group because the TSA does not transfer to the concessionaire the right to control the use of public services infrastructure. The group only has the right to operate the infrastructure for the provision of public services on behalf of the grantor, as provided in the contract. Thus, under the terms of the TSA, the Group only acts as a service provider. Hence this arrangement is accounted for under Appendix D – 'Service Concession Arrangements' to Ind AS 115 – 'Revenue from contracts with customer'.	Our audit procedures included, among others, the following: • We evaluated terms of the TSA to understand roles and responsibilities of the grantor. • We tested, on sample basis, the base data and supporting documents for basis of key assumptions and estimates used by the management. • We read and evaluated the TSA to understand whether the grantor controls significant residual interest in the infrastructure at the end of the term of the arrangement through ownership, beneficial ownership or otherwise. • We evaluated the management's assessment process for applicability of Appendix D of Ind AS 115 for transmission projects based on the terms of the agreement and tested the judgements/ estimates relating to future cash flows over the concession period, and discounting rate used to discount expected cash flows.

Key audit matters	How our audit addressed the key audit matter
The Group has classified the concession arrangements under financial asset model since the operator has an unconditional contractual right to receive cash or other financial assets from or at the direction of the grantor for the services. Accordingly, the above matter was determined to be a key audit matter in our audit of the consolidated financial statements.	• We tested the arithmetical accuracy of the valuation models. • We read and assessed the disclosures included in the consolidated financial statements for compliance with the relevant accounting standards requirements.
<u>Impairment of property, plant and equipment and service concession arrangements</u> *(as described in Note 3,7 and 28 of the consolidated financial statements)*	
The Group owns and operates various power transmission and generation assets. The carrying value of the power transmission and generation assets as at March 31, 2023, included under property, plant and equipment and service concession arrangements is INR 180,623.56 million. In accordance with Ind AS 36 and Ind AS 109, at each reporting period end, management assesses the existence of impairment indicators of property, plant and equipment and service concession arrangements. In case of existence of impairment indicators, property, plant and equipment and service concession arrangements balances are subjected to impairment test. The processes and methodologies for assessing and determining the fair value is based on complex assumptions, that by their nature imply the use of the management's judgment, in particular with reference to identification of forecast of future cash flows relating to the period covered by the respective subsidiary's transmission license or solar power purchase agreement, debt equity ratio, cost of debt, cost of equity, residual value, etc. Considering the judgment involved in determination of fair values due to inherent uncertainty and complexity of the assumptions used in determination of fair	Our audit procedures included, among others, the following: • We obtained an understanding of the Group's process on assessment of impairment of property, plant and equipment and service concession arrangements and the assumptions used by the management, including design and implementation of controls, validation of management review controls. We have tested the operating effectiveness of these controls. • We obtained and read the valuation report of the Group's independent valuation expert, and assessed the expert's competence, capability and objectivity. • We evaluated the independent valuation expert's methodology, assumptions and estimates used in the calculations. • We tested on sample basis that the tariff revenues considered in the respective valuation models are in agreement with TSAs / PPAs/ tariff orders. • We tested completeness, arithmetical accuracy and validity of the data used in the calculations. • In performing the above procedures, we involved valuation specialists to perform an independent review of methodology and key assumptions used in the valuation.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>values, this is considered as a key audit matter.</td><td>We read and assessed the disclosures included in the notes to the consolidated financial statements</td></tr>
<tr><td colspan="2"><u>Classification of unit holders’ funds as equity</u> (as described in Note 28 of the consolidated financial statements)</td></tr>
<tr><td>The InvIT is required to distribute to Unitholders not less than ninety percent of its net distributable cash flows for each financial year. Accordingly, a portion of the unitholders’ funds contains a contractual obligation of the InvIT to pay to its Unitholders cash distributions. The Unitholders’ funds could therefore have been classified as compound financial instrument which contains both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars No. CIR/IMD/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated November 28, 2016 ("SEBI Circulars") issued under the InvIT Regulations, the unitholders’ funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated October 20, 2016 dealing with the minimum disclosures for key financial statements.

Considering the judgment required for classification of unit holders’ funds as equity, this is considered as a key audit matter.</td><td>Our audit procedures included, among others the following:
We obtained and read the requirements for classification of financial liability and equity under Ind AS 32 and evaluated the provisions of SEBI Circulars for classification/presentation of unit holders’ funds in the financial statements of an Infrastructure Investment Trust.
We read and assessed the disclosures included in the consolidated financial statements for compliance with the relevant requirements of InvIT regulations.</td></tr>
<tr><td colspan="2"><u>Acquisition of Transmission/ Solar Special Purpose Vehicles (“SPVs”) classified as asset acquisitions</u> (as described in Note 28 of the consolidated financial statements)</td></tr>
<tr><td>The Group acquires operational transmission/ solar SPVs from the Sponsor or from third parties. The purchase consideration primarily pertains to the fair value of the transmission assets/ solar assets. All such assets are operational assets with fixed tariff revenues under the Transmission Services Agreements/ Power Purchase Agreements (TSAs/PPAs) for 25/35 years. The only key activity for these SPVs is the maintenance of the transmission assets/ solar assets which is outsourced to third parties.</td><td>Our audit procedures included, among others, the following:
We read the relevant guidance under Ind AS on determining if the acquired SPV constitutes a business.
We assessed the activities of the transmission/ solar SPVs.
We read and assessed the Group’s accounting policy for recognition and classification on the acquisition of transmission/ solar SPVs.</td></tr>
</table>

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>Based on evaluation of the above fact pattern vis-a-vis the guidance on definition of business under Ind AS, including evaluation under the optional concentration test, and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management classified the acquisition of transmission/ solar SPVs as asset acquisition.

Considering the management judgement involved in determining if the acquisition of transmission/ solar SPVs constitute business or asset, it is considered as a key audit matter.</td><td>• We discussed with the management the key assumption underlying the Group's assessment and tested the underlying data used for classification made by the Group.

• We read and assessed the disclosures in the consolidated financial statements for compliance with the relevant accounting standards requirement.</td></tr>
<tr><td colspan="2">Computation and disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value as per InvIT regulations
(as described in Note 28 of the consolidated financial statements)</td></tr>
<tr><td>The Group is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value pursuant to SEBI circulars issued under the InvIT regulations which requires fair valuation of the assets. Such fair valuation has been carried out by the independent valuer appointed by the Group.

For the purpose of the above, fair value is determined by forecasting and discounting future cash flows.

The processes and methodologies for assessing and determining the fair value is based on complex assumptions, that by their nature imply the use of the management's judgment, in particular with reference to identification of forecast of future cash flows relating to the period covered by the respective subsidiary's transmission license, debt equity ratio, cost of debt, cost of equity, residual value, etc.

Considering the judgment involved in determination of fair values due to inherent uncertainty and complexity of the assumptions used in determination of fair</td><td>Our audit procedures included, among others the following:

• We read the requirements of InvIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.

• We discussed with the Management and obtained an understating of the Group's policy on the assessment of fair value and the assumptions used by the management, including design and implementation of controls, validation of management review controls.

• Obtained understating of the Group's process for preparation statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value as per InvIT regulations and the assumption used by the management, including design and implementation of controls, validation of management review controls. We have tested the operating effectiveness of these controls.

• We obtained and read the valuation report by the InvIT's independent valuation expert, and assessed the expert's competence, capability and objectivity.</td></tr>
</table>

Key audit matters	How our audit addressed the key audit matter
values, this is considered as a key audit matter.	• We evaluated independent valuation expert's methodology, assumptions and estimates used in the calculations. • We tested on sample basis that the tariff revenues considered in the respective valuation models are in agreement with TSAs/ PPAs / tariff orders. • We tested completeness, arithmetical accuracy and validity of the data used in the calculations. • In performing the above procedures, we used our valuation specialists to perform an independent review of methodology and key assumptions used in the valuation. • We read and assessed the disclosures included in the notes to the consolidated financial statements.
Classification of Khargone Transmission Limited ("KgTL") as a subsidiary *(as described in Note 28 of the consolidated financial statements)*	
In the current year, the Group has entered into a share purchase agreement with Sterlite Power Transmission Limited (the "Selling shareholders") for acquisition of equity stake in Khargone Transmission Limited ("KgTL") on January 21, 2023. Pursuant to the Agreement, the Group has finalized purchase consideration for entire equity stake of the Selling shareholders and has paid purchase consideration for acquisition of 49% paid up equity capital in the KgTL. Additionally, the Group has also given a non-refundable, interest free advance to the selling shareholders comprising of 51 % of the purchase consideration which would be adjusted with the actual transfer of 51% equity stake. Based on the contractual terms in the above agreement, the Group has following rights: • Right to nominate majority of directors on the Board of directors of KgTL; • Right to direct the Selling shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of KgTL;	Our audit procedures included, among others, the following: • We obtained and read the share purchase agreement with the selling shareholder for acquisition of equity stake in KgTL. • We obtained understanding of management's assessment of whether the Group controls KgTL. • We read and understood the Group's accounting policy for consolidation. • We discussed with management the contractual terms and rights available to the Group pursuant to the agreement. • We read and evaluated the requirements for consolidation of entity under Ind AS 110. • We read and assessed the disclosures included in the consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
• Non-disposal undertaking from the Selling Shareholders for the remaining 51% equity stake in KgTL; Considering the requirements under Ind AS 110, the Group has assessed whether it controls KgTL on the basis of the above rights under the Agreement. Accordingly, the Group has consolidated KgTL as a 100% subsidiary from the date of acquisition. Considering the judgment required in assessing whether the Group controls KgTL, this is considered as a key audit matter.	

Other Information

The management of IndiGrid Investment Managers Limited (the "Investment Manager") is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Consolidated Financial Statements

The Management of the Investment Manager ('the Management') is responsible for the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash movements and the consolidated movement of the unit holder's funds for the year ended March 31, 2023, the consolidated net assets at fair value as at March 31, 2023, the consolidated total returns at fair value of the InvIT and the net distributable cash flows of the InvIT, the underlying HoldCos and each of its subsidiaries in accordance with the requirements of the InvIT regulations; Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India, to the extent not inconsistent with InvIT Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the management, as aforesaid.

In preparing the consolidated financial statements, the Board of Directors of the Investment Manager and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Management and respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the

Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the InvIT and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on Other Legal and Regulatory Requirements

Based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss are in agreement with the books of account;

(c) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, to the extent not inconsistent with InvIT Regulations.

(d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Huzefa Ginwala
Partner
Membership Number: 111757
UDIN: 23111757BGYQJV1243
Place of Signature: Pune
Date: 12 May 2023

INDIA GRID TRUST
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2023
(All amounts in Rs. million unless otherwise stated)

	Notes	31 March 2023	31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,77,840.92	1,67,849.54
Right of use asset	3a	109.88	32.51
Intangible assets	4	461.15	497.95
Capital work-in-progress	5	782.13	36.42
Financial assets			
Other financial assets	7	2,673.94	3,289.66
Other non-current assets	8	1,026.52	639.81
		1,82,894.54	**1,72,345.89**
Current assets			
Financial assets			
i. Investments	6	4,462.46	1,451.73
ii. Trade receivables	9	4,180.21	3,898.15
iii. Cash and cash equivalent	10	3,166.23	11,873.37
iv. Bank Balances other than (iii) above	11	3,870.50	3,167.87
v. Other financial assets	7	3,339.58	2,675.69
Other current assets	8	210.30	157.65
		19,229.28	**23,224.46**
Total assets		**2,02,123.82**	**1,95,570.35**
EQUITY AND LIABILITIES			
Equity			
Unit capital	12	65,903.15	65,903.15
Other equity	13	(16,326.20)	(11,720.89)
Other reserves			
Equity attributable to Non-controlling interests		827.89	796.58
Total unit holders' equity		**50,404.84**	**54,978.84**
Non-current liabilities			
Financial liabilities			
i. Borrowings	14	1,35,674.58	1,11,311.50
ii. Leases	15	93.30	26.58
iii. Other financial liabilities	17	311.58	286.41
Employee benefit obligations	18	11.46	8.43
Deferred tax liabilities (net)	20	958.19	1,049.44
		1,37,049.11	**1,12,682.36**
Current liabilities			
Financial liabilities			
i. Borrowings	14	9,256.73	22,036.95
ii. Leases	15	25.03	15.04
iii. Trade payables	16		
a. Total outstanding dues of micro and small enterprises		8.61	9.05
b. Total outstanding dues of creditors other than micro and small enterprises		740.74	477.24
iv. Other financial liabilities	17	4,207.80	5,067.05
Employee benefit obligations	18	18.89	23.33
Other current liabilities	19	412.07	280.49
		14,669.87	**27,909.15**
Total liabilities		**1,51,718.98**	**1,40,591.51**
Total equity and liabilities		**2,02,123.82**	**1,95,570.35**

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 12 May 2023

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 12 May 2023

Urmil Shah
Company Secretary
Membership Number : A23423
Place : Mumbai
Date : 12 May 2023

Navin Sharma
Chief Financial Officer
Place : Mumbai
Date : 12 May 2023

INDIA GRID TRUST
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023
(All amounts in Rs. million unless otherwise stated)

	Notes	31 March 2023	31 March 2022
INCOME			
Revenue from contracts with customers	21	23,318.12	22,221.83
Income from investment in mutual funds		362.55	193.62
Interest income on investment in fixed deposits		239.37	146.37
Other finance income		1.93	9.48
Other income	22	220.91	173.11
Total income (I)		**24,142.88**	**22,744.41**
EXPENSES			
Employee benefit expenses	23	351.96	288.35
Transmission infrastructure maintenance charges		526.64	441.51
Legal and professional fees		171.95	176.12
Annual listing fee		11.38	9.83
Rating fee		24.85	31.55
Valuation expenses		5.89	8.58
Trustee fee		7.70	4.63
Audit Fees			
- Statutory audit fees		15.16	13.98
- Tax audit fees		3.10	3.05
- Other services (including certification)		1.45	2.67
Other expenses	24	1,304.86	1,163.12
Depreciation and amortization expense	26	7,040.70	6,654.86
Finance costs	25	10,108.90	10,501.48
Impairment/ (reversal of impairment) of property, plant and equipment and service concession receivable		(120.14)	(54.97)
Total expenses (II)		**19,454.40**	**19,244.76**
		4,688.48	**3,499.65**
Regulatory Deferral Income		0.90	6.93
Profit before tax (III=I-II)		**4,687.58**	**3,492.72**
Tax expense			
Current tax		119.78	43.66
Deferred tax		(91.25)	10.97
Income tax for earlier years		1.26	5.34
Tax expense (IV)		**29.79**	**59.97**
Profit for the year (III-IV)		**4,657.79**	**3,432.75**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		2.74	0.80
Other comprehensive income for the year		**2.74**	**0.80**
Total comprehensive income for the year		**4,660.53**	**3,433.55**
Profit for the year		**4,657.79**	**3,432.75**
Attributable to:			
Unit holders		4,555.72	3,484.12
Non-controlling interests		102.07	(51.37)
Other comprehensive income for the year		**2.74**	**0.80**
Attributable to:			
Unit holders		2.56	0.46
Non-controlling interests		0.18	0.34
Total comprehensive income for the year		**4,660.53**	**3,433.55**
Attributable to:			
Unit holders		4,558.28	3,484.58
Non-controlling interests		102.25	(51.03)
Earnings per unit			
Basic and diluted (in Rs.)	27	6.51	5.03
(Computed on the basis of profit for the year)			
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 12 May 2023

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 12 May 2023

Urmil Shah
Company Secretary
Membership Number : A23423
Place : Mumbai
Date : 12 May 2023

Navin Sharma
Chief Financial Officer
Place : Mumbai
Date : 12 May 2023

INDIA GRID TRUST
CONSOLIDATED STATEMENT OF CHANGES IN UNIT HOLDERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2023
(All amounts in Rs. million unless otherwise stated)

A. Unit capital	Nos. in million	Rs. in million
Balance as at 01 April 2021	**583.49**	**53,145.69**
Units issued during the year (Refer note 11)	116.69	12,836.49
Issue expenses	-	(79.03)
Balance as at 31 March 2022	**700.18**	**65,903.15**
Units issued during the year	-	-
Balance as at 31 March 2023	**700.18**	**65,903.15**

(Rs. in million)

B. Other equity	Other comprehensive income	Retained earnings/ Accumulated deficit	Self Insurance Reserve	Total other equity
As at 01 April 2021	**2.68**	**(6,392.58)**	**68.13**	**(6,321.77)**
Profit for the year	-	3,484.12	-	3,484.12
Other comprehensive income	0.46	-	-	0.46
Add/Less: Transferred to self insurance reserve/from retained earnings	-	50.44	(68.13)	(17.69)
Less: Distribution during the year (refer note below)	-	(8,866.01)	-	(8,866.01)
As at 31 March 2022	**3.14**	**(11,724.03)**	**(0.00)**	**(11,720.89)**
Profit for the year	-	4,555.72	-	4,555.72
Other comprehensive income	2.56	-	-	2.56
Less: Distribution during the year (refer note below)	-	(9,163.59)	-	(9,163.59)
As at 31 March 2023	**5.70**	**(16,331.90)**	**(0.00)**	**(16,326.20)**

Note:
The distribution relates to the distributions made during the financial year along with the distribution related to the last quarter of FY 2021-22 and does not include the distribution relating to the last quarter of FY 2022-23 which will be paid after 31 March 2023.

The distributions made by IndiGrid to its unitholders are based on the Net Distributable Cash Flows (NDCF) of IndiGrid under the InvIT Regulations and hence part of the same includes repayment of capital as well.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 12 May 2023

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 12 May 2023

Urmil Shah
Company Secretary
Membership Number : A23423
Place : Mumbai
Date : 12 May 2023

Navin Sharma
Chief Financial Officer
Place : Mumbai
Date : 12 May 2023

INDIA GRID TRUST
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2023
(All amounts in Rs. million unless otherwise stated)

	31 March 2023	31 March 2022
A. Cash flow generated from operating activities		
Net profit as per statement of profit and loss	**4,660.53**	**3,433.55**
Adjustment for taxation	29.79	59.97
Profit before tax	**4,690.32**	**3,493.52**
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization expense	7,040.70	6,654.86
Impairment /(reversal of impairment) of property, plant & equipment	(120.14)	(54.97)
Foreign exchange (loss)/gain on borrowing	(53.23)	(126.93)
Finance cost	10,162.13	10,628.41
Income from investment in mutual funds	(362.55)	(193.62)
Interest income on investment in fixed deposits	(239.37)	(146.37)
Other finance income	(1.93)	(9.48)
Operating profit before working capital changes	**21,115.93**	**20,245.42**
Movements in working capital :		
- trade payables	172.30	464.11
- other current and non-current financial liabilities	(501.93)	707.57
- other current and non-current liabilities	128.49	15.92
- trade receivables	340.27	(668.26)
- other current and non-current financial asset	(377.17)	(70.78)
- other current and non-current asset	(31.75)	0.22
Changes in working capital	**(269.79)**	**448.78**
Cash generated from operations	**20,846.14**	**20,694.20**
Direct taxes paid (net of refunds)	(490.08)	112.42
Net cash flow generated from operating activities (A)	**20,356.06**	**20,806.62**
B. Cash flow (used in) investing activities		
Purchase of property plant and equipment (including capital work-in-progress)	(17,826.59)	(11,050.09)
Purchase of equity shares/NCD/CCD of subsidiaries	-	(165.99)
Acquisition of other assets (net of other liabilities)	(578.41)	(970.89)
Proceeds from sale property plant & equipment	-	0.03
Interest income on investment in fixed deposits	197.13	117.83
Income from investment in mutual funds	362.55	193.62
Interest on others	1.93	9.48
Investment in mutual funds	(62,466.58)	(46,028.77)
Proceeds from mutual funds	59,455.85	44,577.04
Investment in fixed deposits (net)	(325.32)	(1,850.63)
Net cash flow (used in) investing activities (B)	**(21,179.44)**	**(15,168.37)**
C. Cash flow (used in)/from financing activities		
Proceeds from issue of unit capital	-	12,836.49
Unit issue expense incurred	-	(79.03)
Proceeds of long term borrowings	37,700.00	51,600.00
Repayment of long term borrowings	(26,145.39)	(70,721.01)
Acquisition of borrowings	-	7,106.84
Acquisition of non controlling interest	-	(807.65)
Payment of upfront fees of long term borrowings	(156.51)	(272.57)
Finance costs	(10,048.99)	(10,530.72)
Payment of dividend to non controlling interest	(70.94)	(99.31)
Payment of distributions to unitholders	(9,161.93)	(8,864.21)
Net cash flow (used in)/from financing activities (C)	**(7,883.76)**	**(19,831.17)**
Net change in cash and cash equivalents (A + B + C)	**(8,707.14)**	**(14,192.92)**
Cash and cash equivalents as at beginning of year (D)	11,873.37	26,066.29
Cash and cash equivalents as at the end of year (A + B + C + D)	**3,166.23**	**11,873.37**

INDIA GRID TRUST
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2023
(All amounts in Rs. million unless otherwise stated)

Components of cash and cash equivalents:	**31 March 2023**	**31 March 2022**
Balances with banks:		
- On current accounts ^	1,232.09	11,873.37
- Deposit with original maturity of less than 3 months #	1,934.14	-
Total cash and cash equivalents (refer note 10)	**3,166.23**	**11,873.37**

^ Out of total amount, Rs. 13.04 million (31 March 2022: Rs. 11.38 million) pertains to unclaimed distribution to unitholders.

Reconciliation between opening and closing balances for liabilities arising from financing activities (including current maturities) :-

Particulars	**Long term borrowings (Including current maturities)**
01 April 2021	**1,46,588.90**
Cash flow	
- Interest	(10,346.09)
- Proceeds/(repayments)	(12,286.69)
Foreign exchange loss on borrowing	(126.90)
Accrual	10,628.41
31 March 2022	**1,34,457.63**
Cash flow	
- Interest	(10,048.99)
- Proceeds/(repayments)	11,398.10
Foreign exchange loss on borrowing	(53.23)
Accrual	10,162.13
31 March 2023	**1,45,915.64**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

per Huzefa Ginwala	**Harsh Shah**	**Urmil Shah**	**Navin Sharma**
Partner	CEO & Whole Time Director	Company Secretary	Chief Financial Officer
Membership Number : 111757	DIN: 02496122	Membership Number : A23423	
Place : Pune	Place : Mumbai	Place : Mumbai	Place : Mumbai
Date : 12 May 2023	Date : 12 May 2023	Date : 12 May 2023	Date : 12 May 2023

INDIA GRID TRUST

Disclosures Pursuant To SEBI Circulars
(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the InvIT Regulations)
(All amounts in Rs. million unless otherwise stated)

A. STATEMENT OF NET ASSETS AT FAIR VALUE AS AT

(Rs. in million)

Particulars	31 March 2023		31 March 2022	
	Book value	Fair value	Book value	Fair value
A. Assets	2,02,123.82	2,44,705.79	1,95,570.35	2,32,813.33
B. Liabilities and Non-Controlling Interest (at book value)	1,52,546.87	1,52,546.87	1,41,388.09	1,41,388.09
C. Net Assets (A-B)	49,576.95	92,158.93	54,182.26	91,425.23
D. Number of units	700.18	700.18	700.18	700.18
E. NAV (C/D)	70.81	131.62	77.38	130.57

Fair values of subsidiaries/SPVs are calculated based on their independent fair value done by experts appointed by the Group. The fair value of all these revenue-generating assets is determined using this method. The Group holds 100% equity/beneficial interest in all SPVs except PrKTCL, in which it holds 74% with the balance 26% held by PGCIL and accounted for as non-controlling interest in the financial statements.

Project wise breakup of fair value of assets as at 31 March 2023 **(Rs. in million)**

Project	31 March 2023	31 March 2022
Bhopal Dhule Transmission Company Limited	19,967.13	21,000.16
Jabalpur Transmission Company Limited	17,745.12	17,216.04
Maheshwaram Transmission Limited	6,032.73	6,007.60
RAPP Transmission Company Limited	4,469.01	4,524.97
Purulia & Kharagpur Transmission Company Limited	6,967.36	6,835.12
Patran Transmission Company Limited	2,727.06	2,693.67
NRSS XXIX Transmission Limited	47,251.64	47,854.07
Odisha Generation Phase-II Transmission Limited	14,959.25	14,906.52
East North Interconnection Company Limited	12,011.12	12,013.95
Gurgaon-Palwal Transmission Limited	12,211.11	12,446.29
Jhajjar KT Transco Private Limited	3,646.13	3,524.22
Parbati Koldam Transmission Company Limited	8,978.53	9,792.84
NER II Transmission Limited	53,514.34	53,738.42
IndiGrid Solar-I (AP) Private Limited	3,461.16	4,080.18
IndiGrid Solar-II (AP) Private Limited	3,658.88	4,090.17
Kallam Transmission Limited	1,301.30	243.38
Raichur Sholapur Transmission Company Private Limited[1]	2,830.70	-
Khargone Transmission Limited[2]	16,773.05	-
Sub-total	**2,38,505.62**	**2,20,967.60**
Assets (in IndiGrid and intermediate holding companies)	6,200.17	11,845.73
Total assets	**2,44,705.79**	**2,32,813.33**

1. The Group has acquired Raichur Sholapur Transmission Company Private Limited with effect from 09 November 2022.
2. The Group has acquired Khargone Transmission Limited with effect from 02 March 2023.

B. STATEMENT OF TOTAL RETURNS AT FAIR VALUE

Particulars	31 March 2023	31 March 2022
Total comprehensive income (as per the statement of profit and loss)	4,660.53	3,433.55
Add/ (Less): other changes in fair value not recognized in total comprehensive income	5,339.00	411.27
Total Return	**9,999.53**	**3,844.82**

Notes:
1. Fair value of assets as at 31 March 2023 and as at 31 March 2022 and other changes in fair value for the year then ended as disclosed in the above tables are based on fair valuation report issued by the independent valuer appointed under the InvIT regulations.

2. Sensitivity analysis with respect to significant unobservable inputs used in the fair value measurement has been disclosed in Note 29A.

INDIA GRID TRUST

Disclosures Pursuant To SEBI Circulars
(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the InvIT Regulations)
(All amounts in Rs. million unless otherwise stated)

A) Statement of Net Distributable Cash Flows (NDCFs) of India Grid Trust

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Cash flows received from the Portfolio Assets in the form of interest	17,768.08	16,885.69
Cash flows received from the Portfolio Assets in the form of dividend	221.90	282.66
Any other income accruing at IndiGrid level and not captured above, including but not limited to interest/return on surplus cash invested by IndiGrid	259.18	161.96
Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by IndiGrid	1,665.40	4,132.52
Proceeds from the Portfolio Assets for a capital reduction by way of a buy back or any other means as permitted, subject to applicable law	-	-
Proceeds from sale of assets of the Portfolio Asset not distributed pursuant to an earlier plan to re-invest, or if such proceeds are not intended to be invested subsequently	-	-
Total cash inflow at the IndiGrid level (A)	**19,914.56**	**21,462.83**
Less: Any payment of fees, interest and expense incurred at IndiGrid level, including but not limited to the fees of the Investment Manager and Trustee	(10,236.69)	(9,371.42)
Less: Costs/retention associated with sale of assets of the Portfolio Assets:	-	-
-related debts settled or due to be settled from sale proceeds of Portfolio Assets;	-	-
-transaction costs paid on sale of the assets of the Portfolio Assets; and	-	-
-capital gains taxes on sale of assets/ shares in Portfolio Assets/ other investments.	-	-
Less: Proceeds reinvested or planned to be reinvested in accordance with Regulation 18(7)(a) of the InvIT Regulations	-	-
Less: Repayment of external debt at the IndiGrid level and at the level of any of the underlying portfolio assets/special purpose vehicles (Excluding refinancing)	-	-
Less: Income tax (if applicable) at the standalone IndiGrid level	(31.96)	(23.62)
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	(597.79)	(2,609.64)
Less: Repair work in relation to the projects undertaken by any of the Portfolio Assets	-	(35.00)
Total cash outflows / retention at IndiGrid level (B)	**(10,866.44)**	**(12,039.68)**
Net Distributable Cash Flows (C) = (A+B)	**9,048.12**	**9,423.15**

B) Statement of Net Distributable Cash Flows (NDCFs) of underlying Holdcos and SPVs

(i) IndiGrid Limited (IGL) (Holdco)

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(338.72)**	**(960.78)**
Add: Depreciation, impairment and amortisation	36.97	25.16
Add/Less: Decrease/(increase) in working capital	(52.72)	(31.28)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	390.71	537.24
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	-	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	(69.51)	187.60
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**305.45**	**718.72**
Net Distributable Cash Flows (C) = (A+B)	**(33.27)**	**(242.06)**

INDIA GRID TRUST

Disclosures Pursuant To SEBI Circulars
(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the InvIT Regulations)
(All amounts in Rs. million unless otherwise stated)

(ii) Bhopal Dhule Transmission Company Limited (BDTCL) (SPV)

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(728.48)**	**(157.55)**
Add: Depreciation, impairment and amortisation	714.41	709.21
Add/Less: Decrease/(increase) in working capital	(143.73)	(79.66)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	2,410.28	1,239.73
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(95.78)	(66.97)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on interest free loan or other debentures;	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	12.46	3.39
Loss on account of MTM of F/W & ECB	151.97	(116.66)
Non Cash Income - Reversal of Prepayment penalty	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**3,049.61**	**1,689.04**
Net Distributable Cash Flows (C) = (A+B)	**2,321.13**	**1,531.49**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(iii) Jabalpur Transmission Company Limited (JTCL) (SPV)

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(2,133.24)**	**(1,815.28)**
Add: Depreciation, impairment and amortisation	725.11	410.58
Add/Less: Decrease/(increase) in working capital	(84.46)	(65.80)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	2,879.29	2,856.80
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	(8.50)	26.91
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**3,511.44**	**3,228.49**
Net Distributable Cash Flows (C) = (A+B)	**1,378.20**	**1,413.21**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

INDIA GRID TRUST

Disclosures Pursuant To SEBI Circulars
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(All amounts in Rs. million unless otherwise stated)

(iv) Maheshwaram Transmission Limited (MTL) (SPV)

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(174.14)**	**(177.74)**
Add: Depreciation, impairment and amortisation	121.77	121.75
Add/Less: Decrease/(increase) in working capital	(19.12)	(7.62)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	591.57	589.97
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	(0.94)	(0.02)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**693.28**	**704.08**
Net Distributable Cash Flows (C) = (A+B)	**519.14**	**526.34**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(v) RAPP Transmission Company Limited (RTCL) (SPV)

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**13.49**	**20.22**
Add: Depreciation, impairment and amortisation	86.05	85.93
Add/Less: Decrease/(increase) in working capital	(48.93)	1.80
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	305.15	318.60
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	(0.92)	0.07
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**341.35**	**406.40**
Net Distributable Cash Flows (C) = (A+B)	**354.84**	**426.62**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

INDIA GRID TRUST

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(All amounts in Rs. million unless otherwise stated)

(vi) Purulia & Kharagpur Transmission Company Limited (PKTCL) (SPV)

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**22.15**	**47.46**
Add: Depreciation, impairment and amortisation	143.13	143.03
Add/Less: Decrease/(increase) in working capital	(25.17)	(18.24)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	539.67	557.65
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	(2.47)	(0.65)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	5.44	1.26
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**660.60**	**683.05**
Net Distributable Cash Flows (C) = (A+B)	**682.75**	**730.51**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(vii) Patran Transmission Company Limited (PTCL) (SPV)

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(83.72)**	**(115.32)**
Add: Depreciation, impairment and amortisation	141.64	159.75
Add/Less: Decrease/(increase) in working capital	(21.42)	(3.88)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	235.77	249.67
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	(1.30)	(6.13)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**354.69**	**399.41**
Net Distributable Cash Flows (C) = (A+B)	**270.97**	**284.09**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

INDIA GRID TRUST

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(All amounts in Rs. million unless otherwise stated)

(viii) IndiGrid 1 Limited (IGL1) (Holdco)

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(37.50)**	**(18.78)**
Add: Depreciation, impairment and amortisation	-	-
Add/Less: Decrease/(increase) in working capital	(8.27)	(2.63)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	35.51	4.75
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	-	(0.35)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**27.24**	**1.77**
Net Distributable Cash Flows (C) = (A+B)	**(10.26)**	**(17.01)**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(ix) NRSS XXIX Transmission Limited (NRSS) (SPV)

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**273.11**	**102.42**
Add: Depreciation, impairment and amortisation	829.12	828.28
Add/Less: Decrease/(increase) in working capital	(277.71)	85.47
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	3,818.79	3,920.38
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	27.57	(19.82)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	92.77	16.45
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**4,490.54**	**4,830.76**
Net Distributable Cash Flows (C) = (A+B)	**4,763.65**	**4,933.18**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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(x) IndiGrid 2 Limited (IGL2) (Holdco)

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(96.30)**	**(99.13)**
Add: Depreciation, impairment and amortisation	-	-
Add/Less: Decrease/(increase) in working capital	(0.46)	0.30
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	93.12	91.22
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	-	(0.15)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)		
Amortization of Upfront fees		
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with	-	-
DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**92.66**	**91.37**
Net Distributable Cash Flows (C) = (A+B)	**(3.64)**	**(7.76)**

(xi) Odisha Generation Phase-II Transmission Limited (OGPTL) (SPV)

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(522.85)**	**(439.85)**
Add: Depreciation, impairment and amortisation	413.29	398.84
Add/Less: Decrease/(increase) in working capital	(47.90)	(97.69)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	1,642.69	1,559.59
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	(1.58)	(8.67)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	12.19
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**2,006.50**	**1,864.26**
Net Distributable Cash Flows (C) = (A+B)	**1,483.65**	**1,424.41**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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(xii) East-North Interconnection Company Limited (ENICL)(SPV)

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(436.68)**	**(466.85)**
Add: Depreciation, impairment and amortisation	565.19	564.83
Add/Less: Decrease/(increase) in working capital	(72.51)	33.21
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	1,261.47	1,304.78
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account		
Less: Capital expenditure, if any	(6.76)	(5.59)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**1,747.39**	**1,897.23**
Net Distributable Cash Flows (C) = (A+B)	**1,310.71**	**1,430.38**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xiii) Gurgaon-Palwal Transmission Limited (GPTL) (SPV)

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(507.30)**	**(414.53)**
Add: Depreciation, impairment and amortisation	362.69	358.42
Add/Less: Decrease/(increase) in working capital	(69.78)	(4.31)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	1,467.49	1,437.73
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	
Less: Capital expenditure, if any	(15.52)	(70.25)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	(37.60)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	- - -	-
Total Adjustments (B)	**1,744.88**	**1,683.99**
Net Distributable Cash Flows (C) = (A+B)	**1,237.58**	**1,269.46**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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(xiv) Jhajjar KT Transco Private Limited (JKTPL) (SPV)

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(2.21)**	**10.23**
Add: Depreciation, impairment and amortisation	0.24	0.18
Add/Less: Decrease/(increase) in working capital	151.11	145.23
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	225.62	246.67
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	
Less: Capital expenditure, if any	(65.71)	0.80
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	3.21	(1.15)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with	-	-
DSRA requirement under loan agreements	-	
	-	
Total Adjustments (B)	**314.47**	**391.73**
Net Distributable Cash Flows (C) = (A+B)	**312.26**	**401.96**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xv) Parbati Koldam Transmission Company Limited (PrKTCL) (SPV)

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**258.10**	**75.19**
Add: Depreciation, impairment and amortisation	435.56	391.82
Add/Less: Decrease/(increase) in working capital	(131.73)	175.92
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	212.71	108.02
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(4.24)	(4.25)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	(8.41)	(7.59)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	23.22
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with	-	(186.68)
DSRA requirement under loan agreements	-	
	-	
Total Adjustments (B)	**503.89**	**500.46**
Net Distributable Cash Flows (C) = (A+B)	**761.98**	**575.65**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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(xvi) NER II Transmission Limited (NER) (SPV)

Description	**Year ended 31 March 2023 (Audited)**	**Year ended 31 March 2022 (Audited)**
Profit/(loss) after tax as per profit and loss account (A)	**(1,375.14)**	**(1,258.63)**
Add: Depreciation, impairment and amortisation	984.12	983.03
Add/Less: Decrease/(increase) in working capital	(179.48)	(471.21)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	4,215.86	4,180.04
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	
Less: Capital expenditure, if any	(34.76)	(0.00)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
	-	
	-	
Total Adjustments (B)	**4,985.74**	**4,691.86**
Net Distributable Cash Flows (C) = (A+B)	**3,610.60**	**3,433.23**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xvii) IndiGrid Solar-I (AP) Private Limited (ISPL1) (SPV)

Description	**Year ended 31 March 2023 (Audited)**	**13 July 2021* to 31 March 2022 (Audited)**
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(144.26)**	(262.81)
Add: Depreciation, impairment and amortisation	172.26	122.69
Add/Less: Decrease/(increase) in working capital	141.32	21.13
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	443.75	403.20
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	
Less: Capital expenditure, if any	(0.53)	(1.76)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	(66.16)	22.20
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
	-	
	-	
Total Adjustments (B)	**690.64**	**567.46**
Net Distributable Cash Flows (C) = (A+B)	**546.38**	**304.65**

* Being the date of acquisition by IndiGrid.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

INDIA GRID TRUST

Disclosures Pursuant To SEBI Circulars
(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the InvIT Regulations)
(All amounts in Rs. million unless otherwise stated)

(xviii) IndiGrid Solar-II (AP) Private Limited (ISPL2) (SPV)

Description	Year ended 31 March 2023 (Audited)	13 July 2021* to 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(143.15)**	**(242.16)**
	-	
Add: Depreciation, impairment and amortisation	173.70	123.57
Add/Less: Decrease/(increase) in working capital	156.28	(2.73)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	451.04	395.63
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	
Less: Capital expenditure, if any	(0.87)	(1.53)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	(46.22)	21.58
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	
Amortization of Upfront fees	-	
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with	-	-
DSRA requirement under loan agreements	-	-
	-	
Total Adjustments (B)	**733.93**	**536.52**
Net Distributable Cash Flows (C) = (A+B)	**590.78**	**294.36**

* Being the date of acquisition by IndiGrid.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xix) Kallam Transmission Limited (KTL) (SPV)

Description	28 December 2021* to 31 March 2022 (Audited)	28 December 2021* to 31 March 2022 (Audited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	-	-
Add: Depreciation, impairment and amortisation	-	-
Add/Less: Decrease/(increase) in working capital	-	-
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	-	-
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	-	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	
Amortization of Upfront fees	-	
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with	-	-
DSRA requirement under loan agreements	-	-
	-	
Total Adjustments (B)	**-**	**-**
Net Distributable Cash Flows (C) = (A+B)	**-**	**-**

* Being the date of acquisition by IndiGrid.
Kallam Transmission Limited is under construction project and hence project shall not generate any NDCF. KTL shall generate NDCF post Commercial operation.

INDIA GRID TRUST

Disclosures Pursuant To SEBI Circulars
(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the InvIT Regulations)
(All amounts in Rs. million unless otherwise stated)

(xx) Raichur Sholapur Transmission Private Limited (RSTCPL) (SPV)

Description	09 November 22 * to 31 March 23 (Audited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(13.41)**
Add: Depreciation, impairment and amortisation	25.97
Add/Less: Decrease/(increase) in working capital	70.73
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	114.46
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-
Less: Capital expenditure, if any	(108.69)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with	-
DSRA requirement under loan agreements	-
	-
Total Adjustments (B)	**102.47**
Net Distributable Cash Flows (C) = (A+B)	**89.06**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xxi) Khargone Transmission Limited (KgTL) (SPV)

Description	02 March 23 * to 31 March 23
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(80.16)**
	-
Add: Depreciation, impairment and amortisation	**48.25**
Add/Less: Decrease/(increase) in working capital	55.23
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	168.74
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-
Less: Capital expenditure, if any	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with	-
DSRA requirement under loan agreements	-
	-
Total Adjustments (B)	**272.22**
Net Distributable Cash Flows (C) = (A+B)	**192.06**

* Being the date of acquisition by IndiGrid consortium.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

1. Group information

The Consolidated financial statements comprise financial statements of India Grid Trust ("the Trust" or "IndiGrid") and its subsidiaries (collectively, the Group) for the year ended March 31, 2023. IndiGrid is an irrevocable trust settled by Sterlite Power Transmission Limited (the "Sponsor") on October 21, 2016 pursuant to the Trust Deed under the provisions of the Indian Trusts Act, 1882 and registered with Securities Exchange Board of India ("SEBI") under the SEBI (Infrastructure Investment Trust) Regulations, 2014 (as amended from time to time) as an Infrastructure Investment Trust on November 28, 2016 having registration number IN/InvIT/16-17/0005. The Trustee of IndiGrid is Axis Trustee Services Limited (the "Trustee"). The Investment manager for IndiGrid is Indigrid Investment Managers Limited (the "Investment Manager" or the "Management").

The objectives of IndiGrid are to undertake activities as an infrastructure investment trust in accordance with the provisions of the InvIT Regulations and the Trust Deed. The principal activity of IndiGrid is to own and invest in power transmission/ solar assets in India with the objective of producing stable and sustainable distributions to unitholders.

As at March 31, 2023, Group has following project entities ("Special Purpose Vehicles" or "SPVs") which are transmission infrastructure projects and Solar Projects developed on Build, Own, Operate and Maintain ('BOOM') or Build, Own and Operate ('BOO') basis:

1. Bhopal Dhule Transmission Company Limited ('BDTCL')
2. Jabalpur Transmission Company Limited ('JTCL')
3. RAPP Transmission Company Limited ('RTCL')
4. Purulia & Kharagpur Transmission Company Limited ('PKTCL')
5. Maheshwaram Transmission Limited ('MTL')
6. Patran Transmission Company Limited ('PTCL')
7. NRSS XXIX Transmission Limited ('NTL')
8. Odisha Generation Phase-II Transmission Limited ('OGPTL')
9. East-North Interconnection Company Limited ('ENICL')
10. Gurgaon-Palwal Transmission Limited ('GPTL')
11. Parbati Koldam Transmission Company Limited ('PrKTCL')
12. NER II Transmission Limited ('NER')
13. Kallam Transmission Limited ('KTL')
14. Raichur Solapur Transmission Company Private Limited ('RSTCPL')
15. Khargone Transmission Limited ('KgTL')

As at March 31, 2023, Group has following project entities which are transmission infrastructure projects developed on Design, Build, Finance, Operate and Transfer ('DBFOT') basis:

1. Jhajjar KT Transco Private Limited ('JKTPL')

These SPVs have executed Transmission Services Agreements ("TSAs") with Long term transmission customers under which the SPVs have to maintain the transmission infrastructure for 25 or 35 years post commissioning.

As at March 31, 2023, following project entities which are engaged in generation of electricity through Solar projects developed Build, Own, Operate and Maintain ('BOOM') basis:

1. IndiGrid Solar – I (AP) Private Limited ('IndiGrid Solar – I')
2. IndiGrid Solar – II (AP) Private Limited ('IndiGrid Solar – II')

These SPVs have executed Power Purchase Agreements ("PPAs") with Solar Energy Corporation Limited ('SECI') for sale of electricity for 25 years post commissioning.

The address of the registered office of the Investment Manager is Unit No 101, First Floor, Windsor Village, KoleKalyan Off CST Road, Vidyanagari Marg, Santacruz (East) Mumbai, Maharashtra - 400098, India. The financial statements were authorised for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on May 12, 2023.

2. Significant Accounting Policies

2.1 Basis of preparation

The Consolidated financial statements comprise of the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Unit Holders' Equity for the year then ended, the Consolidated Statement of Net Assets at fair value as at March 31, 2023, the Consolidated Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCFs') of the Trust, the underlying holding company ("HoldCo") and each of its subsidiaries for the year then ended and a summary of significant accounting policies and other explanatory notes prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015(as amended), prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") read with SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations").

The Consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets measured at fair value (e.g. Liquid mutual funds)

The Group has prepared the consolidated financial statements on the basis that it will continue to operate as a going concern.

The Consolidated financial statements are presented in Indian Rupees Millions, except when otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries as at March 31, 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent, i.e., year ended on March 31.

Consolidation procedure:

(a). Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

(b). Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c). Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 *Income Taxes* applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the unit holders of the Trust and to the non-controlling interests (if any), even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.3 Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Group in preparing its consolidated financial statements:

a) Acquisition of Transmission and Solar SPVs classified as asset acquisitions

The Group acquires operational transmission and Solar Project SPVs from the Sponsor or from third party. The purchase consideration primarily pertains to the fair value of the transmission and Solar assets. All such assets are operational assets with fixed tariff revenues under the Transmission Services Agreements (TSAs) for 35/ 25 years and fixed tariff rate per unit under power purchase agreement ('PPA') for 25 years. The only key activity for these SPVs is the maintenance of the transmission assets and project assets which is outsourced to third parties and partially done in house. There are few employees in these entities and no other significant processes are performed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-a-vis the guidance on definition of business under Ind AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management has classified the acquisition of transmission SPVs as asset acquisition.

b) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group has identified twelve months as its operating cycle.

c) Foreign currencies

The Group's consolidated financial statements are presented in INR, which is its functional currency. The Group does not have any foreign operation.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

d) Fair value measurement

The Group measures financial instruments such as mutual funds at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In estimating the fair value of transmission assets/projects, the Group engages independent qualified external valuers to perform the valuation. The management works closely with the external valuers to establish the appropriate valuation techniques and inputs to the model. The management in conjunction with the external valuers also compares the change in fair value with relevant external sources to determine whether the change is reasonable. The management reports the valuation report and findings to the Board of the Investment Manager quarterly to explain the cause of fluctuations in the fair value of the transmission/ solar projects.

At each reporting date, the management analyses the movement in the values of assets and liabilities which are required to be re-measured or reassessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy (Note 29B)
- Disclosures for valuation methods, significant estimates and assumptions (Note 28)
- Financial instruments (including those carried at amortised cost) (Note 29A)

e) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

Power transmission services

Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCs for periods of 35/25 years. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs. The Group's performance obligation under the TSAs is to provide power transmission services. The performance obligation is satisfied over time as the customers receive and consume the benefits provided by the Group's performance as the Group performs. Accordingly, the revenue from power transmission services is recognised over time based on the transmission asset availabilities and the tariff charges approved under the respective CERC tariff orders and includes unbilled revenues accrued up to the end of the accounting period. The payment is generally due within 60 days upon receipt of monthly invoice by the customer.

Solar Business – Electricity generation

Revenue from contracts with customers comprises of revenue arrangement is based on long term PPA with its customer SECI. As per the PPA, the Group's performance obligation is to supply solar power at a rate specified in the PPA. Revenue is recognised over time for each period based on the volume of solar power supplied to the Customer as per the terms stated in the PPA at the metering point of the Customer. Estimates used in the revenue recognition as mentioned above are re-assessed periodically and are adjusted if required.

Regulatory Assets and revenue:

The group determines revenue gap for the period (i.e shortfall in actual returns over assured returns) based on the principles laid down under the CERC regulations and tariff orders issued by CERC. In respect of such revenue gaps, appropriate adjustments, have been made for the respective periods on a conservative basis in accordance with accounting policies and the requirement of Ind AS 114, "regulatory deferral accounts" read with guidance note on Accounting for rate regulated activities issued by Institute of Chartered Accountants of India. ("ICAI").

Service Concession Arrangements:

The group through one of its subsidiaries also has operating and maintaining the power transmission system including sub-station constructed to provide services for a specified period of time in accordance with the transmission agreement entered into with the grantor.

Under Appendix D to lnd AS 115, this arrangement is considered as Service Concession Arrangement and in accordance with para 16 of the Appendix D to Ind AS 115, rights to receive the consideration from the grantor for providing services has been recognised as "financial assets".

Finance Income for Service Concession Arrangements under finance assets model is recognised using effective interest rate method. Revenue from operations and maintenance services are separately recognised in each period as and when services are rendered.

Contract balances

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Amounts which have been billed to the customers are disclosed as Trade receivables and amounts which are to be billed to the customers (and not conditional on the group's future performance) are disclosed under Other financial assets. Refer accounting policies for financial assets in Financial instruments – initial recognition and subsequent measurement.

f) Interest income/Dividend income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Income from dividend on investments is accrued in the year in which it is declared, whereby the Group's right to receive is established.

g) Taxation

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost as a result of measures to reduce carbon emission.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/value added/goods and service taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/value added/goods and service taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

h) Property, plant and equipment

Capital work in progress, property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. No decommissioning liabilities are expected or be incurred on the assets of plant and equipment.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction costs to the extent the expenditure can be attributable to construction activity or is incidental there to. Income earned during the construction period is deducted from the total of the indirect expenditure.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset Category	Useful Life considered	Useful life (Schedule II#)
Leasehold land	Lease Period*	30
Buildings (substation)	25	30
Substations	25-35	40
Transmission lines	25-35	40
Plant and machinery	2-5	15
Solar power plants	25	40
Data processing equipments	3-5	3-6
Furniture and Fittings	5-7.5	10
Office equipments	4-5	3
Vehicles	8	8
Roads	10	10

Schedule II to the Companies Act, 2013 which is applicable to the subsidiary companies.
*Leasehold improvements are depreciated over the useful life of the asset or the lease period, whichever is lower

The Group, based on technical assessments made by technical experts and management estimates, depreciates buildings (substation) and certain items of plant and equipment, data processing equipment, furniture and fittings, office equipment and vehicles over estimated useful lives which are different from the useful lives prescribed in Schedule II to the Companies Act, 2013 which is applicable to the subsidiary companies. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

i) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses, if any.
Intangible assets are amortised over their estimated useful life on a straight-line basis. Software is amortised over the estimated useful life ranging from 5-10 years.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gains or losses arising from derecognition of an intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.
The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is different from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

j) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Office Premises 5-10 years

Lease Liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is accounted on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

l) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculations on detailed budget and forecast calculations. These budgets are prepared for the entire project life.

Impairment losses of continuing operations are recognised in the statement of profit and loss

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

The Group assesses where climate risks could have a significant impact, such as the introduction of emission-reduction legislation that may increase costs. These risks in relation to climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount, these assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

m) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

n) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (d) Revenue from contracts with customers.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

i. Debt instruments at amortised cost
ii. Debt instruments at fair value through other comprehensive income (FVTOCI)
iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost
A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instrument at FVTOCI
A 'debt instrument' is classified as FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, interest income, impairment losses and reversals and foreign exchange gain or loss are recognised in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Group does not have any financial assets which are subsequently measured at FVTOCI.

Debt instrument at FVTPL
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Equity investments
All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets
Majority of the financial assets of the Group which are not reflected at fair value pertain to trade and other receivables. Considering the nature of business, the Group does not foresee any credit risk on its trade and other receivables which may cause an impairment. Also, the Group does not have any history of impairment of trade and other receivables.

For the financial assets which are reflected at fair value, no further impairment allowance is necessary as they reflect the fair value of the relevant financial asset itself.

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include borrowings and related costs, trade and other payables and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised Classification	Accounting Treatment
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit or loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit or loss at the reclassification date.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o) Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Since the Group does not meet the strict criteria for hedge accounting, it has not applied hedge accounting in respect of its derivative contracts.

p) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Group's cash management.

q) Cash distribution to unit holders

The Group recognises a liability to make cash distributions to unit holders when the distribution is authorised and a legal obligation has been created. As per the InvIT Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in unitholders' equity.

r) Earnings per unit

Basic earnings per unit is calculated by dividing the net profit or loss attributable to unit holders of the Trust (after deducting preference dividends and attributable taxes if any) by the weighted average number of units outstanding during the period. The weighted average number of units outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, split, and reverse split (consolidation of units) that have changed the number of units outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per unit, the net profit or loss for the period attributable to unit holders of the Trust and the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

Changes in accounting policies and disclosures

(i) Amendments to Ind AS 103: Reference to the Conceptual Framework

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

In accordance with the transitional provisions, the Group applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

These amendments had no impact on the consolidated financial statements of the Group.

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2023
(All amounts in Rs. million unless otherwise stated)

Note 3: Property, plant and equipment (PPE)

Particulars	Freehold land	Lease hold land	Building - office (leasehold improvements)	Building - Substations	Substations	Transmission lines	Plant and machinery	Data processing equipments	Furniture and fitting	Office equipment	Vehicle	Solar Power Plant	Road	Total
Gross block														
As at 01 April 2021	773.45	89.86	1.94	222.51	30,538.50	1,42,516.13	6.58	11.14	8.64	13.03	4.24	-	5.57	1,74,191.59
Additions	17.07	-	-	-	104.40	4,523.87	75.60	57.85	15.91	32.93	2.92	-	-	4,830.55
Additions on account of acquisition (refer note 28)	2.04	-	-	-	-	-	-	-	-	-	-	5,895.99	-	5,898.04
Disposals	-	-	-	-	-	-	(0.45)	-	(0.02)	(0.99)	(0.80)	-	-	(2.25)
As at 31 March 2022	**792.56**	**89.86**	**1.94**	**222.51**	**30,642.90**	**1,47,039.99**	**81.73**	**69.00**	**24.53**	**44.98**	**6.36**	**5,895.99**	**5.57**	**1,84,917.92**
Additions	129.53	-	3.70	-	7.80	214.35	4.86	3.71	3.21	4.64	7.36	-	-	379.15
Additions on account of acquisition (refer note 28)	-	-	-	-	-	16,483.85	-	-	-	-	-	-	-	16,483.85
Disposals	-	-	-	-	-	-	-	(0.09)	(0.05)	(0.05)	-	-	-	(0.19)
As at 31 March 2023	**922.09**	**89.86**	**5.64**	**222.51**	**30,650.70**	**1,63,738.19**	**86.59**	**72.61**	**27.68**	**49.57**	**13.72**	**5,895.99**	**5.57**	**2,01,780.73**
Depreciation														
As at 01 April 2021	-	13.47	0.13	23.39	1,721.66	8,555.99	3.26	3.18	1.97	4.89	1.58	-	3.05	10,332.57
Charge for the year	-	3.51	0.01	12.48	1,014.16	5,302.30	0.84	7.53	2.86	7.46	1.21	263.32	-	6,615.67
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	120.14	-	-	-	-	-	-	-	120.14
As at 31 March 2022	**-**	**16.98**	**0.14**	**35.87**	**2,735.82**	**13,978.44**	**4.10**	**10.70**	**4.83**	**12.35**	**2.79**	**263.32**	**3.05**	**17,068.39**
Charge for the year	-	3.50	0.08	11.76	910.00	5,703.76	6.12	19.24	4.16	10.92	2.53	319.59	-	6,991.65
Disposals	-	-	-	-	-	-	-	(0.04)	(0.02)	(0.04)	-	-	-	(0.09)
Impairment	-	-	-	-	-	(120.14)	-	-	-	-	-	-	-	(120.14)
As at 31 March 2023	**-**	**20.48**	**0.22**	**47.63**	**3,645.82**	**19,562.06**	**10.22**	**29.90**	**8.97**	**23.23**	**5.32**	**582.91**	**3.05**	**23,939.80**
Net Block														
As at 31 March 2022	**792.56**	**72.88**	**1.80**	**186.64**	**27,907.08**	**1,33,061.56**	**77.63**	**58.29**	**19.70**	**32.63**	**3.57**	**5,632.67**	**2.52**	**1,67,849.54**
As at 31 March 2023	**922.09**	**69.38**	**5.42**	**174.88**	**27,004.88**	**1,44,176.13**	**76.37**	**42.71**	**18.71**	**26.33**	**8.41**	**5,313.08**	**2.52**	**1,77,840.92**

Notes :

(i) Property, plant and equipment and capital work in progress are subject to pari passu first charge to lenders for term loans as disclosed in Note 14.

(ii) Title deeds of all immovable properties are held in the name of Group except title deeds of ISPL-1 and ISPL-2 are held in its erstwhile name.

Note 3a: Right of use asset

The Group has taken office building on lease which has lease term of 5-9 years with lock-in-period of 3 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The lease liability has been measured by using the incremental borrowing rate.
The Group has also taken leasehold land which has lease term of 25 years from the commercial operation date (COD) in relation to which the company is required to pay a fixed annual operating and maintenance expenses for using common infrastructure facilities. The lease liability has been measured by using the incremental borrowing rate.

Particulars	Right-of-use asset	Lease Liabilities
As at 01 April 2021	**39.27**	**50.54**
Additions	3.88	-
Depreciation expense	(10.64)	-
Interest expense	-	4.28
Cash outflow for lease	-	(13.20)
As at 31 March 2022	**32.51**	**41.62**
Additions	88.10	87.76
Depreciation expense	(10.73)	-
Interest expense	-	3.98
Cash outflow for lease	-	(15.03)
As at 31 March 2023	**109.88**	**118.33**

Note 4: Intangible assets

Particulars	Computer software/License	Right-to-use common infrastructure facilities	Total
Gross block			
As at 01 April 2021	-	-	-
Additions	93.07	-	93.07
Acquisition of a subsidiary (restated)	4.98	428.45	433.43
As at 31 March 2022	**98.05**	**428.45**	**526.50**
Additions	1.52	-	1.52
Acquisition of a subsidiary (restated)	-	-	-
As at 31 March 2023	**99.57**	**428.45**	**528.02**
Amortisation and impairment			
As at 01 April 2021	-	-	-
Amortisation	14.50	14.05	28.55
As at 31 March 2022	**14.50**	**14.05**	**28.55**
Amortisation	15.78	22.54	38.32
As at 31 March 2023	**30.28**	**36.58**	**66.87**
Net book value			
As at 31 March 2022	**83.55**	**414.40**	**497.95**
As at 31 March 2023	**69.29**	**391.87**	**461.15**

(All amounts in Rs. million unless otherwise stated)

Note 5: Capital work-in-progress (CWIP)

	31 March 2023	31 March 2022
Opening balance	36.42	97.09
Additions	1,124.86	29.88
Transfer / capitalised / disposed	(379.15)	(90.55)
Total	**782.13**	**36.42**

CWIP Ageing Schedule as at 31 March 2023	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	746.06	34.74	0.36	0.97	**782.13**
Projects temporarily suspended	-	-	-	-	-
Total	**746.06**	**34.74**	**0.36**	**0.97**	**782.13**

CWIP Ageing Schedule as at 31 March 2022	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	35.09	0.36	-	0.97	**36.42**
Projects temporarily suspended	-	-	-	-	-
Total	**35.09**	**0.36**	**-**	**0.97**	**36.42**

The Kallam Transmission Limited (KTL Project) is currently under construction with scheduled commissioning in September 2023.

Note 6: Investments

	31 March 2023	31 March 2022
Current		
Unquoted mutual funds (valued at fair value through profit or loss)		
Aggregate book and market value of unquoted investments		
Axis Overnight Fund - Direct Growth- 1,38,097.81 units (31 March 2022: 6,496.68 units)	144.57	7.30
SBI Liquid Fund - Direct Growth - 1,10,412.78 units (31 March 2022: 40,632.11 units)	389.02	135.43
SBI Overnight Fund - Direct Growth - 25,164.86 units (31 March 2022: 33,551.75 unts)	91.83	144.78
HDFC Liquid Fund - Direct Plan-Growth Option - 1,04,156.74 units (31 March 2022: 18,762.47 units)	460.71	78.51
HDFC Overnight Fund -Growth- Direct plan - 25,453.63 units (31 March 2022 : Nil)	84.72	-
HSBC Overnight Fund -Growth- Direct plan - 21,165.32 units (31 March 2022 : Nil)	24.83	-
ICICI Prudential Liquid Fund - Direct Plan-Growth Option - 1,30,974.30 units (31 March 2022: Nil)	158.28	-
ICICI Prudential Overnight Fund -Growth- Direct plan - 7,31,129.55 units (31 March 2022: Nil)	243.60	-
Kotak Liquid Fund Direct Plan Growth - 1,01,305.40 units (31 March 2022: 18,249.48 units)	460.78	78.53
Kotak Overnight Fund -Growth- Direct plan - 1,36,324.81 units (31 March 2022 : Nil)	163.02	-
Mirae Asset Cash Management Fund - Growth - Direct Plan - 2,86,989.45 units (31 March 2022 : Nil)	682.06	-
Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option (31 March 2022: 51,909.77 units)	-	270.35
Axis Liquid Fund - Direct Growth- 1,50,148.18 units (31 March 2022: 1,16,032 units)	375.50	274.31
Nippon India Overnight Fund - Direct Growth Plan - 10,69,229.61 units (31 March 2022: 56,979.86 units)	128.70	6.50
Nippon India Liquid Fund - Direct Plan-Growth Option - 89,545.82 units (31 March 2022: Nil)	493.10	-
UTI Liquid Cash Plan - Direct Plan - Growth (31 March 2022: 71,285.10 units)	-	248.65
Aditya Birla Sun Life Liquid Fund - Growth-Direct Plan - 12,44,935.23 units (31 March 2022: 5,76,593.20 units)	452.02	197.87
Aditya Birla Sun Life Overnight Fund -Growth-Direct Plan - 90,503.89 units (31 March 2022: 8,267.23 units)	109.72	9.50
Total	**4,462.46**	**1,451.73**

Note 7: Other financial assets (unsecured, considered good) (carried at amortised cost)

	31 March 2023	31 March 2022
Non-Current		
Service Concession Receivable	2,628.27	2,787.29
Less : Provision for expected credit loss	(182.63)	(182.63)
	2,445.64	**2,604.66**
VGF Receivable^	58.06	143.62
Security deposits	67.55	61.38
Bank deposits for remaining maturity of more than 1 year# (refer note 11)	102.69	480.00
Total	**2,673.94**	**3,289.66**
Current		
Contract assets - unbilled revenue*	2,817.85	1,958.43
Service Concession Receivable	337.00	344.10
VGF Receivable^	-	222.50
Advances receivable in cash or kind	26.42	37.88
Interest accrued on deposits	140.17	93.34
Security deposits	1.15	0.23
Others	16.99	19.21
Total	**3,339.58**	**2,675.69**

* Unbilled revenue is the transmission charges and sale of solar power for the month of March 2023 amounting to Rs. 2,817.85 million (31 March 2022 : Rs. 1,958.43 million) billed in the month of April 2023.

^The Group was eligible to apply for the Viability Gap Funding (VGF) subject to the compliance of certain conditions of VGF Securitization Agreement, Letter of Intent and Power Purchase Agreement. During the previous year, the Group had, filed an application to the SECI requesting for VGF disbursement, confirming compliance with the terms and conditions attached to Grant, including creation of charge on 23 June 2021. The Group has received the VGF tranches from SECI during the current year.

Includes amount of Rs 79.40 million (31 March 2022: NIL) is kept in Debt Service Reserve Account ('DSRA') / Interest Service Reserve Account ('ISRA') as per borrowing agreements with lenders.

(All amounts in Rs. million unless otherwise stated)

Note 8: Other assets (unsecured, considered good)

	31 March 2023	31 March 2022
Non-Current		
Capital advances (unsecured, considered good)	259.08	268.04
Less: Provision for doubtful advances	(10.83)	(10.83)
	248.25	**257.21**
Advance income tax, including TDS (net of provisions)	496.02	99.96
Deposits paid under dispute (refer note 33)	151.64	151.67
Deferred income on security deposit	74.55	75.90
Others	56.06	55.07
Total	**1,026.52**	**639.81**
Current		
Prepaid expenses	120.48	107.67
Balance with statutory authority	24.02	24.02
Deferred income on security deposit	3.96	3.63
Advance Gratuity Fund	8.13	6.87
Others	53.71	15.46
Total	**210.30**	**157.65**

(All amounts in Rs. million unless otherwise stated)

Note 9: Trade receivables (carried at amortised cost)

	31 March 2023	31 March 2022
Trade receivables	4,186.29	3,904.23
Less: Allowance for doubtful debts	(6.08)	(6.08)
Total	**4,180.21**	**3,898.15**
Current portion	4,180.21	3,898.15
Non-current portion	-	-
Break-up of security details:		
-Secured, considered good	-	-
-Unsecured, considered good	4,180.21	3,898.15
-Trade receivables which have significant increase in credit risk	-	-
-Trade receivables - credit impaired	6.08	6.08
Impairment allowance (Allowance for bad and doubtful debts):		
-Unsecured, considered good	-	-
-Provision for impairment	-	-
-Trade receivables - credit impaired	-	-

Ageing schedule as at 31 March 2023	Outstanding for following periods from the due date of payment						
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	-	2,861.34	90.57	245.68	-	-	3,197.59
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	149.12	833.51	982.62
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	6.08	6.08
Total	**-**	**2,861.34**	**90.57**	**245.68**	**149.12**	**839.59**	**4,186.29**

Ageing schedule as at 31 March 2022	Outstanding for following periods from the due date of payment						
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	-	2,736.84	77.59	98.14	-	-	2,912.57
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	152.07	833.51	-	985.58
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	6.08	6.08
Total	**-**	**2,736.84**	**77.59**	**250.21**	**833.51**	**6.08**	**3,904.23**

Neither trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member within the Group.

Trade Receivables includes Rs. 710.61 million (March 31, 2022 - Rs 710.61 million) billed on NTPC for the period from the readiness of the Transmission Lines to the date of actual Power Flow. As per the order issued by the CERC, tariff for this is period was to be paid by NTPC. NTPC has filed appeal with the Appellate Tribunal of Electricity against the order of the CERC. NTPC has also filed an stay application against the bill raised by the Group. APTEL has admitted the stay application and asked no coercieve action should be taken place till the hearing of the said application.
Further, the Group has provided amount payable to beneficiaries corresponding to the above recoverable amount and according to the prevailing practice the amount shall be paid as and when the same is realised from NTPC. Interest recoverable/payable on these amounts shall be accounted for on actuality in view of uncertainty involved.

Trade receivables are non-interest bearing and are generally due on invoicing / billing.

See Note 37 on credit risk of trade receivables, which explains how the Group manages and measures credit quality of trade receivables that are neither past due nor impaired.

(All amounts in Rs. million unless otherwise stated)

Note 10: Cash and cash equivalents (carried at amortized cost)

	31 March 2023	31 March 2022
Balance with banks		
- in current accounts ^	1,232.09	11,873.37
Deposit with original maturity of less than 3 months	1,934.14	-
Total	**3,166.23**	**11,873.37**

Balances with banks on current accounts does not earn interest. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash-requirement of the Group and earn interest at the respective deposit rates.

^ Out of total amount, Rs. 13.04 million (31 March 2022: Rs. 11.38 million) pertains to unclaimed distribution to unitholders.

Note 11: Other bank balances

	31 March 2023	31 March 2022
Non-Current		
Bank deposits with original maturity of more than 12 months	102.69	480.00
Amount disclosed under head other non current financial asset (refer note 7)	(102.69)	(480.00)
Total	-	-
Current		
Deposit with original maturity for more than 3 months but less than 12 months #	2,112.94	1,234.44
Deposit with original maturity for more than 12 months#	1,757.56	1,933.43
Total	**3,870.50**	**3,167.87**

Details of lien marked deposits:

1. Rs. 2,993.76 million (31 March 2022: Rs. 2,322.58 million) is kept in interest service reserve account ('ISRA')/debt service reserve account ('DSRA') as per borrowing agreements with lenders.
2. Rs. 17.10 million (31 March 2022: Rs. 149.58 million) held as lien by bank against bank guarantees.
3. Rs. 0.08 million (31 March 2022: Rs. 0.08 million) pledged with Sales Tax Department.

Note 12: Unit Capital

	31 March 2023	31 March 2022
a. Reconciliation of the units outstanding at the beginning and at the end of the reporting period	**Number of units (In million)**	**Amount (Rs. in million)**
As at 01 April 2021	583.49	53,145.69
Units issued during the year (refer note below)	116.69	12,836.49
Issue expenses (refer note below)	-	(79.03)
As at 31 March 2022	**700.18**	**65,903.15**
Issued during the year	-	-
As at 31 March 2023	**700.18**	**65,903.15**

Note:
(i) During the previous year ended 31 March 2022, the Group had issued 116,695,404 units of India Grid Group ("Indigrid" and such units, the "units"), for cash at a price of Rs. 110.00 per unit (the "issue price"), aggregating to Rs. 12,836.49 million to the eligible unitholders (as defined in the Letter of Offer) on a rights basis in the ratio of one lot for every five lots (each lot comprising 1,701 units) held by them on the record date, being 30 March 2021. The Allotment Committee of the Board of Directors of IndiGrid Investment Managers Limited ('Investment Manager'), considered and approved allotment of 116,695,404 rights units to the eligible unitholders of IndiGrid on 22 April 2021.
(ii) Issue expenses of Rs. 79.03 million was incurred in connection with issue of units which is shown as reduction from Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation.

b. Terms/rights attached to units
The Group has only one class of units. Each unit represents an undivided beneficial interest in the Group. Each holder of unit is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Group at least once in every six months in each financial year in accordance with the InvIT Regulations. The Investment Manager approves distributions. The distribution will be in proportion to the number of units held by the unitholders. The Group declares and pays distribution in Indian rupees.

A unitholder has no equitable or proprietary interest in the projects of IndiGrid and is not entitled to any share in the transfer of the projects (or any part thereof) or any interest in the projects (or any part thereof) of IndiGrid. A unitholder's right is limited to the right to require due administration of IndiGrid in accordance with the provisions of the Group Deed and the Investment Management Agreement.

c. Unitholders holding more than 5 percent Units in the Trust	**31 March 2023**		**31 March 2022**	
	(Nos. in million)	**% holding**	**(Nos. in million)**	**% holding**
Esoteric II Pte. Limited	165.90	23.69%	165.90	23.69%
Government of Singapore	140.18	20.02%	140.18	20.02%
Larsen And Toubro Limited	39.02	5.57%	38.07	5.44%

d. The Group has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of incorporation till the balance sheet date. Further the Group has not issued any units for consideration other than cash from the date of incorporation till the balance sheet date.

Note 13: Other Equity

	31 March 2023	31 March 2022
Retained earnings/ (Accumulated deficit)		
Balance as per last financial statements	(11,724.03)	(6,392.58)
Add: Profit for the year	4,555.72	3,484.12
Less: Distribution paid to unitholders	(9,163.59)	(8,866.01)
Add: Transferred from self insurance reserve	-	50.44
Closing balance	**(16,331.90)**	**(11,724.03)**
Other Comprehensive Income (OCI)		
Balance as per last financial statements	3.14	2.68
Movement in OCI (tet) during the year	2.56	0.46
Closing balance	**5.70**	**3.14**
Self Insurance Reserve		
Balance as per last financial statements	-	68.13
Less: Transferred to retained earnings	-	(50.42)
Less: Transferred to non controlling interest	-	(17.71)
Closing balance	**-**	**-**
Total	**(16,326.20)**	**(11,720.89)**

Retained earnings are the profits earned by the Group till date, less distribution paid to unitholder

(All amounts in Rs. million unless otherwise stated)

Note 14: Long term borrowings (carried at amortised cost)

	31 March 2023	31 March 2022
Non-Current		
Debentures		
6.65% - 8.20% Public NCD (secured) (refer note A below)	9,886.75	9,872.40
7.11% Non-convertible debentures (secured) (refer note A below)	4,350.00	4,350.00
8.60% Non-convertible debentures (secured) (refer note A below)	2,500.00	2,500.00
7.85% Non-convertible debentures (secured) (refer note A and (i) below)	4,961.90	-
7.917% Non-convertible debentures (secured) (refer note A and (i) below)	4,970.49	-
7.53% Non-convertible debentures (secured) (refer note A and (i) below)	2,494.26	-
8.85% Non-convertible debentures (secured)	-	1,989.20
9.10% Non-convertible debentures (secured) (refer note A below)	2,996.63	2,976.28
8.40% Non-convertible debentures (secured) (refer note A below)	-	3,497.64
6.72% Non-convertible debentures (secured) (refer note A below)	8,477.66	8,470.48
6.52% Non-convertible debentures (secured) (refer note A below)	3,991.70	1,488.66
7.00% Non-convertible debentures (secured) (refer note A below)	2,496.24	2,493.70
7.25% Non-convertible debentures (secured) (refer note A below)	1,496.17	1,494.65
7.40% Non-convertible debentures (secured) (refer note A below)	995.09	993.54
7.32% Non-convertible debentures (secured) (refer note A below)	3,990.50	3,991.06
8.50% Non-convertible debentures (secured) (refer note A below)	-	3,982.52
	53,607.39	**48,100.13**
Term loans		
Indian rupee loan from banks (secured) (refer note B and (ii) below)	82,067.19	61,375.49
Foreign currency loan from financial institution (secured)	-	1,835.88
	82,067.19	**63,211.37**
Total	**1,35,674.58**	**1,11,311.50**

Current borrowings

	31 March 2023	31 March 2022
Current maturities of long term borrowings		
7.85% Non-convertible debentures (secured)	-	6,560.00
9.57% Non-convertible Debentures of Rs. 10,000,00 each	-	13,993.83
8.40% Non-convertible debentures (secured) (refer note A and (i) below)	3,499.92	-
8.50% Non-convertible debentures (secured) (refer note A and (i) below)	3,991.21	-
Indian rupee loan from banks (secured) (refer note B and (ii) below)	1,765.60	1,232.50
Foreign currency loan from financial institution (secured)	-	250.62
Total	**9,256.73**	**22,036.95**
The above amount includes :		
Secured borrowings	1,44,931.31	1,33,348.46
Unsecured borrowings	-	-
Total long term borrowings	**1,44,931.31**	**1,33,348.46**

(i) The above items represent new secured non-convertible debentures that have been issued by the Trust during the year ended 31 March 2023.
(ii) During the year ended 31 March 2023 the Trust has taken new Indian rupee loan from banks of Rs. 22,700 million (31 March 2022: Rs. 27,600 million).

Note (A): Non-convertible debentures referred above are secured to the extent of:
(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust/Hold cos to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust;
(iii) Pledge of 99% over the equity share capital of all SPVs except pledge of 73% over the equity share capital of PrKTCL.
(iv) Exclusive charge on the ISRA/DSRA accounts created for respective facility.

Note (B): Term loan from banks:
The Indian rupee term loan from bank carries interest at the rate of 7.00% to 8.40% payable monthly. Loan amount installments shall be repayable as per the payment schedule over 5 and 15 years from the date of disbursement. The term loan is secured by
(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust/Hold cos to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust;
(iii) Pledge of 99% over the equity share capital of all SPVs except pledge of 73% over the equity share capital of PrKTCL.
(iv) Exclusive charge on the ISRA/DSRA accounts created for respective facility.

(All amounts in Rs. million unless otherwise stated)

The below table shows the maturity profile of outstanding NCD of the Group the principal of which is repayable in full at the time of maturity :

Rate of Interest	Repayment Commencement Date	2023-2024	2024-2025	2025-2026	2026-2027	2027-28	2028-2029 & onward
3,000 9.10% Non-convertible debentures of Rs. 10,00,000 each	29 July 2024	-	3,000.00	-	-	-	-
50,000 7.85% Non-convertible debentures of Rs. 100,000 each	28 February 2028	-	-	-	-	5,000.00	-
4,000 8.50% Non-convertible debentures of Rs. 10,00,000 each	01 March 2024	4,000.00	-	-	-	-	-
2,500 7.00% Non-convertible debentures of Rs. 10,00,000 each	28 June 2024	-	2,500.00	-	-	-	-
2,500 7.53% Non-convertible debentures of Rs. 10,00,000 each	05 August 2025	-	-	2,500.00	-	-	-
1,500 7.25% Non-convertible debentures of Rs. 10,00,000 each	27 June 2025	-	-	1,500.00	-	-	-
1,000 7.40% Non-convertible debentures of Rs. 10,00,000 each	26 December 2025	-	-	1,000.00	-	-	-
2,500 8.60% Non-convertible debentures of Rs. 10,00,000 each	31 August 2028	-	-	-	-	-	2,500.00
50,000 7.917% Non-convertible debentures of Rs. 100,000 each	28 February 2031	-	-	-	-	-	5,000.00
2,500 8.40% Non-convertible debentures of Rs. 10,00,000 each	14 June 2023	2,500.00	-	-	-	-	-
1,000 8.40% Non-convertible debentures of Rs. 10,00,000 each	16 June 2023	1,000.00	-	-	-	-	-
4,000 7.32% Non-convertible debentures of Rs. 10,00,000 each	27 June 2031	-	-	-	-	-	4,000.00
8,500 6.72% Non-convertible debentures of Rs. 10,00,000 each	14 September 2026	-	-	-	8,500.00	-	-
4,000 6.52% Non-convertible debentures of Rs. 10,00,000 each	07 April 2025	-	-	4,000.00	-	-	-
4,350 7.11% Non-convertible debentures of Rs. 10,00,000 each	14 February 2029	-	-	-	-	-	4,350.00

Public NCD

Rate of Interest	Repayment Commencement Date	2024-2025	2026-2027	2028-2029	2031-2032
6.65% Category I & II	06 May 2024	0.01	-	-	-
6.75% Category III & IV	06 May 2024	101.82	-	-	-
7.45% Category I & II	06 May 2026	-	859.85	-	-
7.6% Category III & IV	06 May 2026	-	964.74	-	-
7.7% Category I & II	06 May 2028	-	-	1,004.25	-
7.9% Category III & IV	06 May 2028	-	-	409.09	-
7.49% Category I & II	06 May 2028	-	-	4.72	-
7.69% Category III & IV	06 May 2028	-	-	120.34	-
7.95% Category I & II	06 May 2031	-	-	-	126.46
8.2% Category III & IV	06 May 2031	-	-	-	5,991.84
7.72% Category I & II	06 May 2031	-	-	-	4.72
7.97% Category III & IV	06 May 2031	-	-	-	412.18

Financial covenants

Loans from bank, debt securities contain certain debt covenants relating to limitation on interest service coverage ratio, debt service coverage ratio, Net Debt to AUM, Net Debt to EBITDA etc. The financial covenants are reviewed on availability of audited accounts of the respective borrower periodically. For the financial year ended 31 March 2023, the Group has satisfied all debt covenants prescribed in the terms of loan from bank and financial institutions, where applicable.

(All amounts in Rs. million unless otherwise stated)

Note 15: Leases

	31 March 2023	31 March 2022
Non-Current		
Lease liabilities (refer note 36)	93.30	26.58
	93.30	**26.58**
Current		
Lease liabilities (refer note 36)	25.03	15.04
	25.03	**15.04**

Note 16: Trade payables (carried at amortised cost)

	31 March 2023	31 March 2022
Trade payables		
- total outstanding dues of micro and small enterprises	8.61	9.05
- total outstanding dues of creditors other than micro and small enterprises		
- to related parties (refer note 30)	101.20	102.35
- to others	639.54	374.89
Total	**749.35**	**486.29**

Ageing schedule as at 31 March 2023	Outstanding for following periods from the due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	-	3.24	4.86	0.50	0.01	-	8.61
Total outstanding dues of creditors other than micro and small enterprises	626.50	28.96	70.95	9.56	4.77	-	740.74
Disputed dues of micro and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total	**626.50**	**32.20**	**75.81**	**10.06**	**4.78**	**-**	**749.35**

Ageing schedule as at 31 March 2022	Outstanding for following periods from the due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	-	-	-	8.18	-	0.87	9.05
Total outstanding dues of creditors other than micro and small enterprises	283.29	13.64	129.24	27.30	23.77	-	477.24
Disputed dues of micro and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total	**283.29**	**13.64**	**129.24**	**35.48**	**23.77**	**0.87**	**486.29**

Trade payables are non-interest bearing and are normally settled on 30-90 days terms.
For explanation on the Company's risk management policies, refer note 37.

(All amounts in Rs. million unless otherwise stated)

Note 17: Other financial liabilities

	31 March 2023	31 March 2022
Non-Current		
VGF liability	270.81	270.11
Others	40.77	16.30
Total	**311.58**	**286.41**
Current		
Derivative instruments at fair value		
Foreign exchange forward contracts	-	6.19
Cross currency interest rate swap	-	7.04
	-	**13.23**
Other financial liabilities at amortised cost		
VGF liability	13.87	13.12
Interest accrued but not due on borrowings	984.33	1,109.17
Payables for purchase of property, plant and equipment	943.52	917.33
Distribution payable	13.04	11.38
Payable towards project acquired#		
- To related party (refer note 30)	1,291.19	1108.97
- To others	27.79	450.24
Employee payable	35.34	30.25
Tariff payable to beneficiaries@	895.72	1,406.45
Others*	3.00	6.91
	4,207.80	**5,053.82**
Total	**4,207.80**	**5,067.05**

* Other payables are non-interest bearing and have an average term of six months and includes amounts pertaining to provision for expenses.
For explanation on the Company's risk management policies, refer note 37.

@Tariff payables to beneficiaries incudes Rs. 895.72 million (31 March 2022 Rs. 1,406.45 million) payable to beneficiaries due to CERC order on determination of COD on certain elements of project.

Liability is towards acquisition of equity shares of NRSS XXIX Transmission Limited, Odisha Generation Phase-II Transmission Limited, East-North Interconnection Company Limited, Gurgaon-Palwal Transmission Limited, Parbati Koldam Transmission Company Limited, NER II Transmission Limited, Raichur Sholapur Transmission Company Private Limited and Khargone Transmission Limited pursuant to respective share purchase agreements.

Note 18: Employee Benefit Obligations

	31 March 2023	31 March 2022
Non current		
Provision for gratuity (refer note 39)	6.14	4.07
Provision for leave benefit	5.32	4.36
Total	**11.46**	**8.43**
Current		
Provision for gratuity (refer note 39)	0.73	0.47
Provision for leave benefit	0.64	0.50
Long term incentive plan (refer note 40)	17.52	22.36
Total	**18.89**	**23.33**

Note 19: Other current liabilities

	31 March 2023	31 March 2022
Current		
Withholding taxes (TDS) payable	40.92	23.27
Advance from customers	270.52	166.62
WCT payable	0.38	0.38
Professional tax payable	0.25	0.04
GST payable	7.40	22.45
Provident fund payable	3.35	1.62
Others	89.25	66.11
Total	**412.07**	**280.49**

(All amounts in Rs. million unless otherwise stated)

Note 20: Deferred tax liability (net)

	31 March 2023	31 March 2022
Deferred tax liability		
Property, plant and equipment : Impact of difference between tax depreciation and depreciation/amortisation for financial reporting	16,519.39	14,995.31
Service concession recievable : Impact of difference between tax depreciation and effective rate of interest for financial reporting	231.81	600.76
Recoverable from beneficiaries	(648.74)	(649.63)
Gross deferred tax liability (A)	**16,102.46**	**14,946.44**
Deferred tax asset		
Financial assets	69.91	93.60
Tax Losses	15,074.36	13,803.40
Gross deferred tax asset (B)	**15,144.27**	**13,897.00**
Net deferred tax liability (A-B)	**958.19**	**1,049.44**

Reconciliation of deferred tax liability	**31 March 2023**	**31 March 2022**
Opening deferred tax liability, net	**1,049.44**	**921.39**
Deferred tax liability (net of asset) acquired during the year	-	117.08
Deferred tax credit / (charge) recorded in statement of profit and loss	(91.25)	10.97
Closing deferred tax liability, net	**958.19**	**1,049.44**

The major components of income tax expense for the years ended 31 March 2023 and 31 March 2022 are:	**31 March 2023**	**31 March 2022**
- Current tax	119.78	43.66
- Deferred tax	(91.25)	10.97
- Income tax for earlier years	1.26	5.34
Income tax expenses reported in the statement of profit and loss	**29.79**	**59.97**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022:	**31 March 2023**	**31 March 2022**
Accounting profit before income tax	4,687.58	3,492.72
At India's statutory income tax rate of 25.17% (31 March 2022: 25.17%)	1,179.86	879.12
Impact of exemption u/s 10(23FC) of the Income Tax Act, 1961 available to the Trust	(1,151.33)	(830.12)
Income tax for earlier years	1.26	
Impact on deferred tax due to change in tax rates	-	10.97
At the effective income tax rate	**29.79**	**59.97**
Income tax expense reported in the statement of profit and loss	**29.79**	**59.97**

1. As at 31 March 2023, based on the expected future profitability of the SPVs, the management has recognised deferred tax assets on the unabsorbed tax depreciation carried forward only to the extent of deferred tax liability.

2. The Group has Rs. 11,120.52 million (31 March 2022: Rs. 13,923.31 million) of tax losses / unabsorbed depreciation carried forward on which deferred tax asset has not been recognised. If the Group was able to recognise all unrecognised deferred tax assets, profit after tax would have increased and equity would have increased by Rs. 2,798.81 million (31 March 2022: Rs. 3,504.50 million).

Further, for the calculation of deferred tax assets/liabilities, the Group has not considered tax holiday available under the Income Tax Act for some of the project SPVs for the computation of deferred tax assets/liabilities. The management based on estimated cash flow workings for these project, believes that since there will be losses in the initial years of these project, no benefit under the Income tax Act would accrue to these projects in respect of the tax holiday. Management will re-assess this position at each balance sheet date.

Note 21: Revenue from contracts with customers

	31 March 2023	31 March 2022
Note 21.1: Disaggregated revenue information		
Type of service		
Power transmission services (refer note A below)	22,376.64	21,614.28
Revenue from sale of electricitiy (solar) (refer note B below)	941.48	607.55
Total	**23,318.12**	**22,221.83**

(A) Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCs. The TSAs are executed for a period of 35 / 25 years and have fixed tariff charges as approved by Central Electricity Regulatory Commission (CERC) (except some escalable portion and some incentives/penalties relating to transmission assets availabilities). Under the TSAs, the Group's performance obligation is to provide power transmission services. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs failing which could result in certain disincentives/penalties. The performance obligation is satisfied over-time as the customers receive and consume the benefits provided by the Group's performance as the Group performs. The payment is generally due within 60 days upon receipt of monthly invoice by the customer. The Group receives payments as per the pooling arrangements specified under the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 ('Pooling Regulations'). In the Point of Connection (PoC) mechanism, the transmission charges to be recovered from the entire system are allocated between users based on their location in the grid. Under the PoC mechanism, all the charges collected by the Central Transmission Utility (i.e. Power Grid Corporation of India Limited) from LTTCs are disbursed pro-rata to all Transmission Service Providers from the pool in proportion of the respective billed amount.
(B) Revenue from sale of solar power generated is recognised on accrual basis (net of deviations as per the Deviation Settlement Mechanism) on the basis of the billings as per the long term Power Purchase Agreement with Solar Energy Corporation of India (SECI) and includes unbilled revenues accrued upto the end of the accounting period.

Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures since the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date.

(All amounts in Rs. million unless otherwise stated)

Note 21.2: Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price

	31 March 2023	31 March 2022
Revenue as per contracted price	22,630.94	21,665.43
Adjustments:		
Incentives earned for higher asset availabilities	630.65	508.56
Surcharges received for late payments	166.78	159.02
Rebates given for early payments	(110.25)	(111.18)
Total revenue from contracts with customers	**23,318.12**	**22,221.83**

Project wise break up of revenue from contracts with Customers	31 March 2023	31 March 2022
Bhopal Dhule Transmission Company Limited	2,704.90	2,717.86
Jabalpur Transmission Company Limited	1,524.58	1,546.12
Maheshwaram Transmission Limited	581.25	580.72
RAPP Transmission Company Limited	456.76	457.18
Purulia & Kharagpur Transmission Company Limited	752.50	773.37
Patran Transmission Company Limited	319.88	318.60
NRSS XXIX Transmission Limited	5,224.69	5,021.84
Odisha Generation Phase-II Transmission Limited	1,609.01	1,648.67
East North Interconnection Company Limited	1,508.77	1,494.32
Gurgaon-Palwal Transmission Limited	1,465.82	1,494.28
Jhajjar KT Transco Private Limited (note c)	325.68	292.47
Parbati Koldam Transmission Company Limited (note d)	1,394.29	1,088.26
NER II Transmission Limited	4,221.64	4,157.23
IndiGrid Solar-I (AP) Private Limited (note b)	460.25	305.54
IndiGrid Solar-II (AP) Private Limited (note b)	481.23	325.37
Raichur Sholapur Transmission Company Private Limited (note a)	142.36	-
Khargone Transmission Limited (note a)	144.51	-
Total revenue from contracts with customers	**23,318.12**	**22,221.83**

a. In the current financial year, The Trust has acquired Raichur Scholar Transmission Company Private Limited and Khargone Transmission Limited w.e.f. 09 Novemeber 2022 and 02 March 2023 respectively.

b. In the previous year, the Trust has acquired IndiGrid Solar-I (AP) Private Limited and IndiGrid Solar-II (AP) Private Limited with effect from 13 July 2021. Amounts stated above pertain to post acquisition revenue.

c. Jhajjar KT Transco Private Limited has entered into a transmission agreement with Haryana Vidyut Prasaran Nigam Limited (HVPNL) for obtaining exclusive right to construct, operate and maintain the transmission lines on design, build, finance, operate and transfer (DBFOT) basis for a specified period (concession period) commencing from the date of grant of the Transmission License and receive monthly determinable annuity payments. The agreement provides an option for extension of the concession period. Upon completion of concession period or on termination of agreement, transmission lines will vest with the grantor free and clear of all encumbrances. In terms of para 16 of Appendix D to IndAS 115, cost of construction of transmission lines has been recognized as a part of financial assets under the head service concession receivable. Annuity payments received under the agreement have been accounted as revenue from contracts with customers.

d. Parbati Koldam Transmission Company Limited had filed tariff petition in FY 2021-22 for truing up of the tariff for period 2014-19 and revised petition of tariff for period 2019-24 with CERC for its approval. However these petition are yet to be disposed off by CERC. Hence, company has been recognizing the revenue basis the filed petition order for 2019-24 for 2022-23 .

Note 22: Other Income

	31 March 2023	31 March 2022
Sale of scrap	106.12	28.86
Reversal of provision for doubtful custom deposit	-	1.39
Profit on sale of property, plant and equipment	0.01	0.19
Reimbursements received	19.80	43.55
Deferred income on VGF	46.45	13.12
Miscellaneous income	48.53	86.00
Total	**220.91**	**173.11**

Note 23: Employee Benefit Expenses

	31 March 2023	31 March 2022
Salaries, wages and bonus	299.84	238.13
Contribution to provident fund	11.19	8.75
Long term incentive plan (refer note 40)	6.98	17.90
Gratuity expense (refer note 39)	6.04	2.71
Staff welfare expenses	27.91	20.86
Total	**351.96**	**288.35**

(All amounts in Rs. million unless otherwise stated)

Note 24: Other expenses

	31 March 2023	31 March 2022
Project management fees (refer note 30)	1.42	1.06
Investment management fees (refer note 30)#	450.30	434.12
Power and fuel	40.27	41.20
Rent	9.01	6.95
Rates and taxes	158.63	125.21
Insurance expenses	204.09	252.43
Vehicle hire charges	56.22	36.87
Loss on sale of assets	-	0.16
Director Sitting Fee	6.11	5.93
Security charges	43.68	46.05
Earn out expenses	-	(0.35)
Bay Charges	102.53	53.18
Advertisement expenses	0.17	4.90
Right of way charges	31.88	35.81
Corporate social responsibility	19.12	28.29
Miscellaneous expenses	181.43	91.31
Total	**1,304.86**	**1,163.12**

 # For all SPV's except Parbati Koldam Company Transmission Limited
Pursuant to the Amended and Restated Investment Management Agreement dated 29 March 2022, Investment Manager is entitled to fees @ 1.75% p.a. of difference between revenue from operations and operating expenses (other than fees of the Investment Manager) or 0.25% of AUM of each SPV, whichever is lower. For this purpose, operating expenses would not include depreciation, finance costs and income tax expense.

 # For Parbati Koldam Company Transmission Limited (SPV)
Pursuant to the Investment Management Agreement dated 2 March 2021 as amended, Investment Manager is entitled to fees @ 1.00% of difference between revenue from operations and operating expenses (other than fees of the Investment Manager) of the Company, per annum. For this purpose, operating expenses would not include depreciation, finance costs and income tax expense.

Note 25: Finance Cost

	31 March 2023	31 March 2022
Interest on financial liabilities measured at amortised cost#	10,100.28	10,487.34
Other bank and finance charges	4.64	5.85
Discounting on Factoring	-	4.01
Interest expense on lease liabilities (refer note 3a)	3.98	4.28
Total	**10,108.90**	**10,501.48**

Includes foreign exchange loss which is considered as adjustment to borrowing cost amounting to Rs. 53.23 million (31 March 2022: Rs. 126.93 million)

Note 26: Depreciation and amortization expense

	31 March 2023	31 March 2022
Depreciation of tangible assets	6,991.65	6,615.67
Depreciation on Right of use assets	10.73	10.64
Amortisation of intangible assets	38.32	28.55
Total	**7,040.70**	**6,654.86**

Note 27: Earnings per unit (EPU)

Basic EPU amounts are calculated by dividing the profit for the year attributable to unit holders by the weighted average number of units outstanding during the year.

Diluted EPU amounts are calculated by dividing the profit for the year attributable to unit holders by the weighted average number of units outstanding during the year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

The following reflects in the profit and unit data used in the basic and diluted EPU computation	31 March 2023	31 March 2022
Profit after tax for calculating basic and diluted EPU (Rs. in million)	4,555.72	3,484.12
Weighted average number of units in calculating basic and diluted EPU (No. in million)	700.18	693.14
Earnings Per Unit:		
Basic and Diluted (Rupees/unit)	6.51	5.03

Note 28: Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements
In the process of applying the Trust's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

i. Applicability of Appendix D - Service Concession Arrangements of Ind AS 115 Revenue from contracts with customers
The Group through its subsidiaries acts as a transmission licensee under the Electricity Act, 2003 holding valid licenses for 25-35 years. The subsidiaries have entered into Transmission Services Agreements ("TSA") with Long Term Transmission Customers ("LTTC") through a tariff based bidding process to Build, Own, Operate and Maintain ("BOOM") the transmission infrastructure for a period of 25-35 years. The management of the Company is of the view that the grantor as defined under Appendix D of Ind AS 115 ("Appendix D") requires transmission licensee to obtain various approvals under the regulatory framework to conduct its operations both during the period of the license as well as at the end of the license period. However, in the view of management, the grantor's involvement and approvals are to protect public interest and are not intended to control, through ownership, beneficial entitlement or otherwise, any significant residual interest in the transmission infrastructure at the end of the term of the arrangement. Accordingly, management is of the view that Appendix D to Ind AS 115 is not applicable to the Group for all transmission infrastructure operating on a BOOM basis. The Group also holds transmission infrastructure pertaining to Jhajjar KT Transco Private Limited which operates on a Design, build, finance, operate and transfer ("DBFOT") basis. The company has operating and maintaining the power transmission system including sub-station constructed to provide services for a specified period of time in accordance with the transmission agreement entered into with the grantor. Under Appendix D to Ind AS 115, this arrangement is considered as Service Concession Arrangement and in accordance with para 16 of the Appendix D to Ind AS 115, rights to receive the consideration from the grantor for providing services has been recognised as "financial assets". Accordingly the Group is of the view that Appendix D - Service Concession Arrangements of Ind AS 115 Revenue from contracts with customers is applicable to this infrastructure asset.

ii. Classification of Unitholders' funds
Under the provisions of the InvIT Regulations, IndiGrid is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of IndiGrid for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016) issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20-Oct-2016 dealing with the minimum disclosures for key financial statements. In line with the above, the dividend payable to unit holders is recognised as liability when the same is approved by the Investment Manager.

iii. Acquisition of Transmission SPVs classified as asset acquisitions
The Group acquires operational transmission SPVs/ Solar SPVs from the Sponsor or from third party. The purchase consideration primarily pertains to the fair value of the transmission assets and solar assets. All such assets are operational assets with fixed tariff revenues under the Transmission Services Agreements (TSAs) / Power Purchase Agreements (PPAs) for 35/25 years. The only key activity for these SPVs is the maintenance of the transmission assets which is outsourced to third parties. There are no employees in these entities and no other significant processes are performed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-a-vis the guidance on definition of business under Ind AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management has classified the acquisition of transmission SPVs and solar SPVs as asset acquisition.

iv. Consolidation of Khargone Transmission Limited ('KgTL') as a subsidiary

The Group acquired 49% of paid up equity capital of Khargone Transmission Limited ("KgTL") with effect from 02 March 2023 from Sterlite Power Transmission Limited (SPTL)) (referred as "the seller") pursuant to Share Purchase Agreement dated 21 January 2023 ("SPA"). The Group has finalised purchase consideration for acquisition of entire stake in KgTL and has entered into a binding agreement with the Seller to acquire remaining 51% paid up equity capital in KgTL from the Seller. The Group has beneficial interest based on the rights available to it under the SPA.
Based on the contractual terms of the agreement, the Group has following rights:

•Right to nominate all directors on the board of directors of the KgTL;
•Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of KgTL;
•Non-disposal undertaking from the selling shareholders for the remaining 51% equity stake in KgTL;

Considering the requirements under Ind AS 110, the Group has assessed whether it controls KgTL on the basis the above rights under the agreement and the fact that the Group has acquired 49% and have paid for the balance 51% consideration (subject to certain agreed hold back amount). Based on the assessment, management has concluded that the Group controls KgTL in spite of the fact that it has acquired only 49% of the paid up capital of KgTL.

Accordingly, the Group has consolidated KgTL assuming 100% equity owKgTLship and no non-controlling interest (NCI) has been recognised in the consolidated Ind AS financial statements. Remaining purchase consideration payable to the selling shareholders is recognized as financial liability in the consolidated Ind AS financial statements.

v. Consolidation of NER and GPTL as a subsidiary

The Group had acquired 49% and have paid for the balance 51% consideration (subject to certain agreed hold back amount) of NER & GPTL . Based on the assessment, management has concluded that the Group controls both entities in spite of the fact that it has acquired only 49% of the paid up capital of both entities. Further, based on the legal opinion both the entities are considered as Special Purpose Vehicle as per requirements of Securities Exchange Board of India's Invite Regulations.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities or fair value disclosures within the next financial year, are described below. The Trust based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Trust. Such changes are reflected in the assumptions when they occur.

(a) Fair valuation and disclosures

SEBI Circulars issued under the InvIT Regulations require disclosures relating to net assets at fair value and total returns at fair value (refer note 29A and 29B).
In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Group engages independent qualified external valuers to perform the valuation. The management works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the valuation report and findings to the Board of the Investment Manager quarterly to explain the cause of fluctuations in the fair value of the transmission / solar projects. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc. Changes in assumptions about these factors could affect the fair value.

(b) Impairment of non-current assets

Non-current assets of the Group primarily comprise of property, plant & equpiment and service concession recievable.

The provision for impairment/(reversal) of impairment of property, plant & equipment and service concession receivable is made based on the difference between the carrying amounts and the recoverable amounts. The recoverable amount of the property, plant & equipment and service concession recievable has been computed by external independent valuation experts based on value in use calculation for the underlying transmission / solar projects of SPV's (based on discounted cash flow model). On a periodic basis, according to the recoverable amounts of individual portfolio assets computed by the valuation experts, the Group tests impairment on the amounts invested in the respective subsidiaries of company. The valuation exercise so carried out considers various factors including cash flow projections, changes in interest rates, discount rates, risk premium for market conditions including the impact of COVID-19, etc.

Based on the valuation exercise so carried out, there is a net impairment reversal of Rs. 120.14 million for the year ended 31 March 2023 (31 March 2022 : net impairment reversal of Rs. 54.97 million), which is primarily on account of maturity of SPV assets. The key assumptions used to determine the recoverable amount for the underlying projects are disclosed and further explained in Note 29A.

Note 29A: Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(Rs. in million)

Particulars	Carrying value		Fair value	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Financial assets at amortized cost				
Trade receivables	4,180.21	3,898.15	4,180.21	3,898.15
Cash & cash equivalent	3,166.23	11,873.37	3,166.23	11,873.37
Other bank balance	3,973.19	3,647.87	3,973.19	3,647.87
Other financial assets	5,910.83	5,485.35	5,910.83	5,485.35
Financial assets at Fair Value				
Investments in mutual funds	4,462.46	1,451.73	4,462.46	1,451.73
Total	**21,692.92**	**26,356.47**	**21,692.92**	**26,356.47**
Financial liabilities at amortized cost				
Borrowings	1,44,931.31	1,33,348.46	1,44,931.31	1,33,348.46
Trade payables	749.35	486.29	749.35	486.29
Lease Liabilities	118.33	41.62	118.33	41.62
Other financial liabilities	4,519.38	5,340.23	4,519.38	5,340.23
Financial assets at Fair Value				
Derivative instruments	-	13.23	-	13.23
Total	**1,50,318.37**	**1,39,229.83**	**1,50,318.37**	**1,39,229.83**

The management has assessed that the financial assets and financial liabilities as at year end are reasonable approximations of their fair values.

The Group is required to present the statement of total assets at fair value and statement of total returns at fair value as per SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 as a part of these financial statements- Refer Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.

The inputs to the valuation models for computation of fair value of assets for the above mentioned statements are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc.

The significant unobservable inputs used in the fair value measurement required for disclosures categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2023 and 31 March 2022 are as shown below:

Description of significant unobservable inputs to valuation:

(Rs in million)

Significant unobservable inputs	Input for 31 March 2023	Input for 31 March 2022	Sensitivity of input to the fair value	Increase /(decrease) in fair value 31 March 2023	31 March 2022
WACC	7.70% to 8.53%	7.55% to 9.12%	+ 0.5%	(10,744.00)	(10,168.42)
			- 0.5%	10,446.00	11,434.87
Tax rate (normal tax and MAT)	Normal Tax - 25.168%	Normal Tax - 25.168%	+ 2%	(580.08)	(520.00)
			- 2%	531.80	471.00
Inflation rate	Revenue(Esclable): 5.00%	Revenue(Esclable):5.00%	+ 1%	(3,127.86)	(3,173.14)
	Expenses: 2.14% to 4.75%	Expenses: 2.46% to 4.84%	- 1%	2,574.20	2,604.90

Note 29B: Fair value hierarchy

The management has assessed that the financial assets and financial liabilities as at year end other than above are reasonable approximations of their fair values.

The Group is required to present the statement of total assets at fair value and statement of total returns at fair value as per SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 as a part of these financial statements- Refer Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.

The Property. plant and equipments / Service concession receivable of the group mainly compose of Transmission/ Solar assets (which are SPV entities/ subsidiary of the group, a fair valuation activity is done by the management as explained above, which is carried out by external valuation expects. On the basis of valuation exercise carried out, the below fair value numbers are determined for PPE and Service concession receivable.

(Rs. in million)

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2023 and 31 March 2022:	Date of valuation	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets for which fair values are disclosed:				
Property, plant and equipment and service concession receivable *	31 March 2023	-	-	2,23,315.41
	31 March 2022	-	-	2,08,073.78
Investments in mutual funds	31 March 2023	-	4,462.46	-
	31 March 2022	-	1,451.73	-
Liabilities measured at fair value through profit and loss				
Derivative instruments (Liability)	31 March 2023	-	-	-
	31 March 2022	-	13.23	-

There have been no transfers among Level 1, Level 2 and Level 3.

* Statement of net asset at fair value and statement of total returns at fair value require disclosures regarding fair value of assets (liabilities at considered at book values). Since the fair values of assets other than property, plant and equipment approximate their book values, hence only property, plant and equipment and service concession has been disclosed above.

Note 30: Related party disclosures

I. List of related parties as per the requirements of Ind AS 24 - Related Party Disclosures

(a) Entity with significant influence over the Trust
Esoteric II Pte. Ltd - Sponsor
Sterlite Power Transmission Limited (SPTL) - Sponsor of IndiGrid
Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited) (IIML) - Investment manager of IndiGrid

II. List of related parties as per Regulation 2(1)(zv) of the InvIT Regulations

(a) Parties to IndiGrid
Esoteric II Pte. Ltd (EPL) - Inducted Sponsor
Sterlite Power Transmission Limited (SPTL) - Sponsor of IndiGrid
Indigrid Investment Managers Limited (IIML) - Investment manager of IndiGrid
Axis Trustee Services Limited (ATSL) - Trustee of IndiGrid (Axis Bank Ltd is Promoter)*

(b) Promoters of the parties to IndiGrid specified in (a) above
KKR Ingrid Co-Invest L.P.- Cayman Island - Promoter of EPL
Twin Star Overseas Limited - Promoter of SPTL
Electron IM Pte. Ltd. - Promoter of IIML

(c) Directors of the parties to IndiGrid specified in (a) above
Directors of SPTL:
Pravin Agarwal
Pratik Agarwal
A. R. Narayanaswamy
Zhao Haixia (till 31 March 2022)
Anoop Seth
Manish Agarwal (from 17 December 2021)
Arun Lalchand Todarwal (till 24 July 2021)
Kamaljeet Kaur (from 29 June 2022)

Directors of IIML:
Harsh Shah (CEO & Whole-time director) (till 30 June 2022 and re-joined from 30 August 2022)
Jyoti Kumar Agarwal (till 30 September 2022)
Tarun Kataria
Rahul Asthana (till 25 December 2022)
Ashok Sethi
Hardik Shah (from 30 November 2021)
Jayashree Vaidhyanthan (from 30 November 2021)
Ami Momaya (from 27 January 2022)
Pratik Agarwal (till 14 January 2022)
Sanjay Omprakash Nayar (till 27 January 2022)

Key Managerial Personnel of IIML:
Harsh Shah (CEO & Whole-time director) (till 30 June 2022 and re-joined from 30 August 2022)
Navin Sharma (CFO) (from 19 April 2023)
Urmil Shah (Company Secretary) (from 1 August 2022)
Jyoti Kumar Agarwal (CFO) (till 30 June 2022) and (CEO & Whole-time director) (from 01 July 2022 till 30 September 2022)
Divya Bedi Verma (CFO) (from 1 July 2022 till 15 February 2023)
Swapnil Patil (Company Secretary) (till 31 July 2022)

Directors of ATSL:
Rajesh Kumar Dahiya
Ganesh Sankaran
Deepa Rath (from 01 May 2021)
Sanjay Sinha (till 30 April 2021)

Directors of Esoteric II Pte. Ltd.:
Tang Jin Rong
Madhura Narawane (from 26 January 2022)
Velasco Azonos Cecilio Francisco (till 26 January 2022)

Relative of directors mentioned above:
Sonakshi Agarwal
Jyoti Agarwal
Sujata Asthana (till 25 December 2022)
Mala Todarwal (till 24 July 2021)

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(All amounts in Rs. million unless otherwise stated)

(B) The transactions with related parties during the year are as follows:- (Rs. in millions)

Particulars	Relation	31 March 2023	31 March 2022
1. Deposits Given			
Sterlite Power Transmission Limited	Subsidiary	-	36.00
2. Adjustment in consideration for equity shares of PKTCL on account of events mentioned in SPA			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	-	50.00
3. Adjustment in consideration for equity shares of Indigrid 1 Limited on account of events mentioned in SPA			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	77.31	(0.58)
4. Consideration for equity shares of Indigrid 2 Limited on account of events mentioned in SPA			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	-	18.53
5. Adjustment in consideration for equity shares of ENICL on account of events mentioned in SPA			
Sterlite Power Transmission Limited	Sponsor and Project Manager/	-	(4.46)
6. Adjustment in consideration for equity shares of GPTL on account of events mentioned in SPA			
Sterlite Power Transmission Limited	Sponsor and Project Manager/	3.84	(0.57)
7. Purchase of equity shares of NER			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	-	5,179.33
8. Rights Issue of unit capital			
Esoteric II Pte. Ltd		-	3,285.28
	Sponsor/Entity with significant influence over the Trust		
Sterlite Power Transmission Limited	Sponsor of IndiGrid	-	44.72
9. Distribution to unit holders			
Sterlite Power Transmission Limited	Sponsor of IndiGrid	-	14.09
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)	Investment manager of IndiGrid	7.25	6.55
Esoteric II Pte. Ltd	Sponsor/Entity with significant	2,171.24	2,100.73
Pravin Agarwal	Director of Sponsor (SPTL) and Investment Manager	-	1.05
Harsh Shah	Whole time director of Investment Manager	0.38	0.18
Swapnil Patil	Company Secretary of Investment Manager	0.02	0.06
Sonakshi Agarwal	Relative of director	0.24	0.24
Jyoti Agarwal	Relative of director	0.08	0.30
Sujata Asthana	Relative of director	1.60	1.55
Arun Todarwal	Director of Sponsor (SPTL)	0.03	0.05
A. R. Narayanaswamy	Director of Sponsor (SPTL)	0.25	0.25
Mala Todarwal	Relative of director	0.02	0.05
10. Trustee fee			
Axis Trustee Services Limited (ATSL)	Trustee	2.63	3.32
11. Project management fees			
Sterlite Power Transmission Limited	Project manager of IndiGrid	1.42	1.06
12. Investment Management Fees			
Indigrid Investment Managers Limited	Investment manager of IndiGrid	450.30	434.12
13. Consideration for equity shares of NER on account of events mentioned in SPA			
Sterlite Power Transmission Limited	Entity with significant influence	255.87	10.58
14. Purchase of Project stores			
Sterlite Power Transmission Limited	Project manager of IndiGrid	5.53	-
15. Advance given for stores			
Sterlite Power Transmission Limited	Project manager of IndiGrid	8.76	-
16. Reimbursement of Expenses			
Sterlite Power Transmission Limited	Project manager of IndiGrid	5.67	-
17. Transfer of Employee relatred liability			
Indigrid Investment Managers Limited	Investment manager of IndiGrid	1.26	-
18. Amount recovered			
Sterlite Power Transmission Limited	Project manager of IndiGrid	7.16	-
19. Purchase of equity shares of KgTL			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	135.13	-

Particulars	Relation	31 March 2023	31 March 2022
20. Purchase of loan of Khargone Transmission Limited			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	253.28	-
21. Deposit made to IT department on behalf of PKTCL & NRSS			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	19.19	-
22. Insurance claim recovery for TATA Projects - NER			
Sterlite Power Transmission Limited	Project manager of IndiGrid	3.92	-
23. Deposits against revenue loss (NRSS)			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	34.63	-
24. Directors sitting fees			
Prabhakar singh	Independent Director	4.84	4.80
Rahul Asthana	Independent Director	0.63	-
Saumil Shah	Independent Director	-	0.23
Prasad Paranjape	Independent Director	0.97	0.66

(C) The outstanding balances of related parties are as follows:- **(Rs in Million)**

Particulars	**31 March 2023**	**31 March 2022**
1. Project Manager fees payable		
Sterlite Power Transmission Limited	1.70	1.22
2. Investment Manager fees payable		
Indigrid Investment Managers Limited (IIML)	99.34	96.75
3. Payable towards project acquired		
Sterlite Power Transmission Limited	1,291.19	1,108.97
4. Management fees payable		
Sterlite Power Transmission Limited	0.16	0.16
5. Deposits given		
Sterlite Power Transmission Limited	36.00	36.00

*The Group has entered into banking transactions in the nature of loans taken, fixed deposits made and interest thereof in the normal course of business with Axis Bank Limited in professional capacity.

Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.4(b)(iv) of Section A of Annexure A to SEBI Circular dated 20 October 2016 are as follows:

For the year ended 31 March 2023:

(A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):

Rs. In million

Particulars	**KgTL**
Enterprise value	14,975.00
Method of valuation	Discounted cash flow
Discounting rate (WACC)	8.30%

(B) Material conditions or obligations in relation to the transactions:

Acquisition of Khargone Transmission Ltd (KgTL):

The Group acquired 49% of paid up equity capital of Khargone Transmission Limited ("KgTL") with effect from 02 March 2023 from Sterlite Power Transmission Limited (SPTL)) (referred as "the seller") pursuant to Share Purchase Agreement dated 21 January 2023 ("SPA"). The Group has finalised purchase consideration for acquisition of entire stake in KgTL and has entered into a binding agreement with the Seller to acquire remaining 51% paid up equity capital in KgTL from the Seller. The Group has beneficial interest based on the rights available to it under the SPA.
Based on the contractual terms of the agreement, the Group has following rights:

•Right to nominate all directors on the board of directors of the KgTL;
•Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of KgTL;
•Non-disposal undertaking from the selling shareholders for the remaining 51% equity stake in KgTL;

Considering the requirements under Ind AS 110, the Group has assessed whether it controls KgTL on the basis the above rights under the agreement and the fact that the Group has acquired 49% and have paid for the balance 51% consideration (subject to certain agreed hold back amount). Based on the assessment, management has concluded that the Group controls KgTL in spite of the fact that it has acquired only 49% of the paid up capital of KgTL. Further, based on the legal opinion KgTL is considered as Special Purpose Vehicle as per requirements of Securities Exchange Board of India's Invite Regulations.

Note 31: Capital and other Commitments

(a) The Group has entered into a framework agreement with G R Infraprojects Limited ('GRIL') to acquire 100% stake in Rajgarh Transmission Limited.

(b) The Group has entered into transmission services agreement (TSA) with long term transmission customers pursuant to which the Group has to transmit power of contracted capacity and ensure minimum availability of transmission line over the period of the TSA. The TSA contains provision for disincentives and penalties in case of certain defaults.

(c) The Group has taken office building on lease which has lease term of 5-9 years with lock-in-period of 3 years

(d) The Group has capital commitment (net of advances) of Rs. 1,340.03 million (31 March 2022 : Rs. 1,622.86 million) pertaining to ongoing capital work in progress.

(e) The Group has entered into Power Purchase Agreement ('PPA') with Solar Energy Corporation of India Limited ('SECI'), where IndiGrid Solar-I (AP) Private Limited and IndiGrid Solar-II (AP) Private Limited is required to sell power at a pre-fixed tariff of Rs. 4.43/kWh for a period of 25 years from the Commercial operation date to SECI.

(f) The Group has entered into an Implementation and Support Agreement with Andhra Pradesh Solar Power Corporation Private Limited (APSPCL). Annual O&M charges are payable for the period of 25 years from the commercial operation date to APSPCL

(g) The letter of intent for development of Kallam Transmission Limited (KTL) is awarded to consortium of IGL1 and IGL2 ("IndiGrid Consortium") by the REC Power Development and Consultancy Limited (formerly known as REC Power Distribution Company Limited) on 30 November 2021 for a 35-year period from the scheduled commercial operation date, on a Build, Own, Operate and Maintain model. IndiGrid Consortium acquired the project on 28 December 2021 pursuant to Share Purchase Agreement ("SPA"). The project is currently under development with scheduled commissioning on September 2023.

Note 32: Derivative instruments

Bhopal Dhule Transmission Company Limited (BDTCL) has entered into the following derivative instruments:
(a) The following are the outstanding Forward Exchange Contracts entered into by the Company, for hedge purpose.

Year ended	Currency Type	Foreign Currency (In million)	Amount (Rs. in million)	Buy/Sell	No. of contracts (Quantity)
Hedge of foreign currency loan from financial institution					
31 March 2023	US $	-	-		-
31 March 2022	US $	27.69	2,086.50	Buy	2

(b) Cross currency interest rate swap contracts outstanding as at year end to hedge against exposure to variable interest outflow on loans/foreign currency fluctuations:

Particulars	31-Mar-23	31-Mar-22
Currency type		US $
No. of contracts	-	1
Amount (USD 'million)	-	1.39
Period of Contract		31 March 2021 to 30 August 2022
Floating rate		USD 6 Month Libor + 2.10% to 3.80%
Fixed rate		7.02% on INR principal

The contract has been closed in the year ended 31 March 2023.

Note 33: Contingent liability

Particulars	31 March 2023	31 March 2022
Claim against the company not acknowledged as debt		
- Entry tax demand (refer note A)	432.59	432.59
- VAT/CST Demand (refer note B)	23.69	23.69
- Other Demands (refer note C)	325.93	406.18
Total	**782.21**	**862.46**

A. Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Madhya Pradesh. Out of the total demand Rs. 138.75 million (31 March 2022: Rs. 138.75 million) pertains to Jabalpur Transmission Company Limited ('JTCL'), Rs. 165.80 million (31 March 2022: Rs. 165.80 million) pertains to Bhopal Dhule Transmission Company Limited ('BDTCL') and Rs. 13.30 million (31 March 2022: Rs. 13.30 million) pertains to RAPP Transmission Company Limited ('RTCL') which is pending with High Court, Jabalpur.

Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Madhya Pradesh. The total demand Rs. 1.33 million (31 March 2022: Rs. 1.33 million) pertains to Bhopal Dhule Transmission Company Limited ('BDTCL') which is pending with Commissioner (Appeals).

Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Chhattisgarh. The total demand Rs. 113.41 million (31 March 2022: Rs. 113.41 million) pertains to Jabalpur Transmission Company Limited ('JTCL') out of which Rs. 51.55 million (31 March 2022: Rs. 51.55 million) is pending with the Chhattisgarh High Court, Rs. 40.50 million (31 March 2022: Rs. 40.50 million) is pending with Chairman Chhattisgarh Commercial tax Tribunal, Raipur (C.G.) and Rs. 21.36 million (31 March 2022: Rs. 21.36 million) the notice for assessment has been received in the month of October 2020 for which the Group has applied for a certified copy of the Assessment Order on 29 October 2020 and is still awaiting a copy of the same.

B. Sales tax demand of Rs. 17.99 million (31 March 2022: Rs. 17.99 million) for Indigrid Limited (IGL) pertains to demand under Delhi VAT Act, 2004 for non-submission of C Forms, Rs. 24.66 million pertains to FY 2014-15 has been settled during the previous year; Rs. 17.99 million pertains to demand under Delhi VAT Act, 2004 for non-submission of C Forms for FY 2015-16. The Group has filed an objection against the order with Assistant Commissioner of Delhi VAT Authorities.

VAT demand notice of Rs. 5.70 million (31 March 2023: Rs. 5.70 million) for Purulia & Kharagpur Transmission Company Limited (PKTCL) pertains to Jharkhand VAT Act, 2005. The Group has received the notice for assessment in the month of January 2020 and various submissions along with the requisite details and documents were made to the officer. The Group further applied for a certified copy of the Assessment Order on 01 October 2020 and is still awaiting a copy of the same.

C. During the financial year 2019-20, land owners have filed a case with the District Court, Jhajjar, Haryana towards compensation and interest thereon for the value of land over which the transmission line is passing. The Group is of the view that required amount of compensation to these landowners have already been paid and no further compensation is payable. Further, these litigations are barred by limitations. Based on the legal advice, the Group does not anticipate any liability against the same and has disclosed a contingent liability of Rs. NIL (31 March 2022: Rs. 20.12 million). It also includes an amount of Rs. 111.27 million (31 March 2022: Rs. 173.39 million) for claims from farmers for additional Right of Way (RoW) compensation made against one of the subsidiaries. Further it includes an amount of Rs. 212.67 million (31 March 2022: 212.67 million) for claims from one of the erstwhile EPC contract vendor against two of the subsidiaries.

The Group has not provided for disputed liabilities disclosed above arising from entry tax demands which are pending with different authorities mentioned above for its decision. The Group is contesting the demands and the Group management, including its legal advisors, believe that its position will likely be upheld in the appellate process. No liability has been accrued in the consolidated financial statements for the demands raised. The Group management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position.

Others
The total contingent liability (except ROW and GST claim against ISPL 1 and ISPL 2) is recoverable as per share purchase agreement from Selling Shareholders.

Note 34: Segment reporting

The Groups's activities comprise of owning and investing in transmission SPVs and solar SPVs to generate cash flows for distribution to unitholders. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of Ind AS -108 have not separately been given.

Under Point of Connection (PoC) mechanism, Power Grid Corporation of India Limited ('PGCIL') is designated as Central Transmission Utility with the responsibility for billing and collecting of usage charges from Inter-State Transmission Services (ISTS) users. Hence the entire amount of trade receivables pertaining to transmission is receivable from PGCIL and solar charges is receivable from SECI.

Note 35: Details of Dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Particulars	31 March 2023	31 March 2022
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.		
Principal amount due to micro and small enterprises	8.61	9.05
Interest due on above	-	-
(ii) The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

Interest payable as per section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 is Nil (31 March 2022: Nil). Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimations received from the "suppliers" / information available with the Group regarding their status under the Micro, Small and Medium Enterprises Act, 2006.

Note 36: Leases

Indigrid Limited (IGL) (a subsidiary of the Group) has lease contract for 2 office building used in its operations which have lease term of 5-9 years with lock-in-period of 3 years. Further IGL's obligations under its leases are secured by the lessor's title to the leased assets. The lease liability has been measured by using the incremental borrowing rate.

IndiGrid Solar-I (AP) Private Limited (a subsidiary of the Group) has taken leasehold land which has lease term of 25 years from the commercial operation date (COD) in relation to which the company is required to pay a fixed annual operating and maintenance expenses for using common infrastructure facilities.

IndiGrid Solar-II (AP) Private Limited (a subsidiary of the Group) has taken leasehold land which has lease term of 25 years from the commercial operation date (COD) in relation to which the company is required to pay a fixed annual operating and maintenance expenses for using common infrastructure facilities.

Maturity analysis of lease liabilities - Contractual undiscounted cash flows:

(Rs. in million)

Particulars	Less than 3 months	3 months to 12 months	1 to 5 years	More than 5 years	Total
31 March 2023					
Lease liability	3.74	21.27	67.93	71.89	164.83
Total	**3.74**	**21.27**	**67.93**	**71.89**	**164.83**
31 March 2022					
Lease liability	3.57	11.47	28.57	9.20	52.81
Total	**3.57**	**11.47**	**28.57**	**9.20**	**52.81**

Note 37: Financial risk management objectives and policies

The Group's principal financial liabilities comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, cash and short-term deposits and other financial assets that derive directly from its operations.

The Group may be exposed to market risk, credit risk and liquidity risk. The Investment Manager oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The management reviews and agrees policies for managing each of these risks, which are summarised below.

The Risk Management policies of the Group are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Groups's activities.

Management has overall responsibility for the establishment and oversight of the Group's risk management framework.

(All amounts in Rs. million unless otherwise stated)

(A) Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, bank deposits and investments

Price Risk
The Group invests its surplus funds in mutual funds which are linked to debt markets. The Group is exposed to price risk for investments in mutual funds that are classified as fair value through profit or loss. To manage its price risk arising from investments in mutual funds, the Group diversifies its portfolio. Diversification and investment in the portfolio is done in accordance with the limits approved by the Board of Directors. Reports on investment portfolio are submitted to the Group's senior management on a regular basis

Particulars	% change in market value	31 March 2023	31 March 2022
		Effect on loss before tax	Effect on loss before tax
Mutual funds	0.50%	22.31	7.26

Profit for the year would increase / decrease as a result of gains / losses on mutual funds classified as at fair value through profit or loss.

Interest rate risk
Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rate primarily relates to the Group's long term debt obligations with floating interest rates. To manage this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. As at 31 March 2023, there are no borrowings of the Group at floating interest rates.

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's foreign currency borrowings and payables in foreign currency (if any). As at 31 March 2023, The Group did not have any exposure towards any assets / liabilities in foreign currency.

(B) Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Group through its subsidiaries is engaged in transmission business under BOOM (Build, Own, Operate and Maintain) model and currently derive its revenue primarily from BOOM contracts with long term transmission customers ('LTTC'). The Group also holds transmission infrastructure pertaining to Jhajjar KT Transco Private Limited which operates on a Design, build, finance, operate and transfer ("DBFOT") basis. Being transmission licensee, the Group receives payments as per the pooling arrangements specified under the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 ('Pooling Regulations'). In the PoC method, the transmission charges to be recovered from the entire system are allocated between users based on their location in the grid. Under the PoC mechanism, all the charges collected by the Central Transmission Utility ('CTU') from LTTC's are disbursed pro-rata to all Transmission Service Providers ('TSPs') from the pool in proportion of the respective billed amount. Due to this, the TSPs are shielded against any potential default by a particular customer. If a particular customer delays or defaults, the delay or shortfall is prorated amongst all the TSPs. Based on past history of payments, payments due have always been paid and there have been no write-off's for due amounts. Due to the payment mechanism explained above as well as due to no history of any write-off's of payments which were due, the Group has not considered any expected credit loss on the financial assets in the nature of trade receivables. During the various periods presented, there has been no change in the credit risk of trade receivables. However, this assessment may need a review if there is any change in the Pooling Regulations.
Similar mechnism is being followed in solar entities acquired by the group where there is only single customer i.e. Solar Energy Corporation of India (SECI) which is a high rated public sector undertaking with credit rating of AA+ as per ICRA Limited. The Group has obtained a Letter of Credit from SECI Limited to secure its credit risk associated with receivables.

Credit risk from balances deposited/invested with banks and financial institutions as well as investments made in mutual funds, is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. Counterparty limits are reviewed by the top management on an annual basis, and may be updated throughout the year subject to approval of the Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. Based on this policy, the Group does not foresee any risk on account of credit losses, either in the bank deposits which are made with AAA rated banks and also in regard to mutual funds which is primarily debt oriented funds. No loss allowances have been provided for any trade receivables, or other receivables from financing activities like cash and bank deposits, mutual funds and other similar deposits. Also, there have been no modifications in contractual cash flows on financial assets.

The Group's maximum exposure to credit risk for the components of the balance sheet as at 31 March 2023 is the carrying amounts of trade and other receivables, cash and cash equivalents and other assets as disclosed in Note 6, 7, 8, 9 and 10 respectively. However, the credit risk is low due to reasons mentioned above.

(C) Liquidity risk
Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Group requires funds both for short term operational needs as well as for long term investment programs mainly in transmission projects. The Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents and liquid investments will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The other financial liabilities are with short term durations. The table below summarises the maturity profile of the Groups's financial liabilities based on contractual undiscounted payments:

Particulars	Payable on demand	Less than 3 months	3 months to 12 months	1 to 5 years	More than 5 years	Total
31 March 2023						
Borrowings	-	-	9,256.73	1,11,751.00	23,923.58	1,44,931.31
Trade payables	-	749.35	-	-	-	749.35
Other financial liabilities	-	3,200.40	1,318.98	-	-	4,519.38
Total	**-**	**3,949.75**	**10,575.71**	**1,11,751.00**	**23,923.58**	**1,50,200.04**

Particulars	Payable on demand	Less than 3 months	3 months to 12 months	1 to 5 years	More than 5 years	Total
31 March 2022						
Borrowings	-	20,852.58	2,925.95	41,295.83	68,274.10	1,33,348.46
Trade payables	-	486.29	-	-	-	486.29
Other financial liabilities	-	3,767.79	1,559.21	-	-	5,327.00
Derivatives	-	13.23	-	-	-	13.23
Total	**-**	**25,119.89**	**4,485.16**	**41,295.83**	**68,274.10**	**1,39,174.98**

Note 38: Capital management

For the purpose of the Groups's capital management, capital includes issued unit capital and all other reserves attributable to the unit holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unit holder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the distribution to unitholders (subject to the provisions of InvIT regulations which require distribution of at least 90% of the net distributable cash flows of the Trust to unit holders), return capital to unitholders or issue new units. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio optimum. The Group includes within net debt, interest bearing loans and borrowings and other payables less cash and cash equivalents, other bank balances and short term investments.

Particulars	31 March 2023	31 March 2022
Borrowings	1,44,931.31	1,33,348.46
Less: Cash and cash equivalents	(3,166.23)	(11,873.37)
Net debt (A)	**1,41,765.08**	**1,21,475.09**
Unit capital	65,903.15	65,903.15
Other equity	(16,326.20)	(11,720.89)
Total capital (B)	**49,576.95**	**54,182.26**
Capital and net debt ((C) = (A) + (B))	**1,91,342.03**	**1,75,657.35**
Gearing ratio (A)/(C)	**74%**	**69%**

Financial Covenants

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

Note 39: Post Employment Benefits Plan

BDTCL, JTCL, MTL, RTCL, PKTCL, PTCL, NRSS, OGPTL, ENICL, GPTL, NER, ISPL1, ISPL2, KTL, IGL

The Group has a defined benefit gratuity plan. Such plan is unfunded and and employees working under the above said companies are covered in this plan. The gratuity benefits payable to the employees are based on the employee's service Every employee who has completed five years or more of service gets a gratuity on departure at last drawn salary at the time of leaving.
The employee do not contribute towards this plan and the full cost of providing these benefits are met by the group. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

Changes in the present value of the defined benefit obligation are as follows:

Particulars	31 March 2023	31 March 2022
Defined benefit obligation at the beginning of the year	4.54	1.96
Transferred from immediate holding company / subsidiary of immediate holding company	0.29	-
Current service cost	5.76	2.57
- Interest Cost on defined benefit obligation	0.31	0.13
- Past service cost	-	-
Benefit paid directly by the employer	(2.01)	(0.15)
Remeasurements during the period due to:		
Actuarial (gain)/loss due to change in demographic assumptions	-	(0.04)
Actuarial (gain)/loss due to change in financial assumptions	(0.11)	(0.03)
Actuarial (gain)/loss on obligation due to experience	(1.92)	0.10
Present value of defined benefit obligation at the end of the year	**6.87**	**4.54**

Details of defined benefit obligation

Particulars	31 March 2023 (Rs. in million)	31 March 2022 (Rs. in million)
Present value of defined benefit obligation	6.87	4.54
Fair value of plan assets	-	-
Benefit liability	**6.87**	**4.54**

Net employee benefit expense recognised in the statement of profit and loss:

Particulars	31 March 2023 (Rs. in million)	31 March 2022 (Rs. in million)
Current service cost	5.76	2.57
Interest cost on defined benefit obligation	0.31	0.14
Past service cost	-	-
Net actuarial (gain) / loss recognised	-	-
Expected return on plan assets	-	-
Contribution by employer	-	-
Net benefit expense	**6.07**	**2.71**

Net employee benefit expense recognised in the other Comprehensive income:

Particulars	31 March 2023 (Rs. in million)	31 March 2022 (Rs. in million)
Actuarial (gain)/loss on obligation for the year	(2.02)	0.03
Net (income)/expense for the year recognised in OCI	**(2.02)**	**0.03**

Amounts for the current and previous year are as follows:

Particulars	31 March 2023 (Rs. in million)	31 March 2022 (Rs. in million)
Defined benefit obligation	6.87	4.54
Plan assets	-	-
Surplus / (deficit)	(6.87)	(4.54)
Experience adjustments on plan liabilities	-	-
Experience adjustments on plan assets	-	-

The principal assumptions used in determining defined benefit obligation are shown below:

Particulars	31 March 2023 (Rs. in million)	31 March 2022 (Rs. in million)
Discount rate	7.40%	6.90%
Expected rate of return on plan asset	-	-
Employee turnover	10.00%	10.00%
Salary escalation rate (p.a)	7.00%	7.00%
Actual rate of return on plan assets	-	-
Retirement age (years)	58	58

The estimated future salary increase, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

A quantative sensitivity analysis for significant assumptions as at 31 March 2023 and 31 March 2022 is as shown below:

Particulars	31 March 2023 (Rs. in million)	31 March 2022 (Rs. in million)
Projected benefit obligation on current assumptions	6.87	4.54
Obligation after +1% Change in discount rate	(6.40)	(4.22)
Obligation after -1% Change in discount rate	7.38	4.88
Obligation after +1% Change in salary escalation rate	7.38	4.88
Obligation after -1% Change in salary escalation rate	(6.39)	(4.22)

The following is the expected payment of benefits in the future years:

Particulars	31 March 2023 (Rs. in million)	31 March 2022 (Rs. in million)
Within the next 2 years	1.44	0.92
Between 3 and 5 years	2.00	1.27
Between 6 and 10 years	3.29	2.29
Total expected payments	**6.73**	**4.48**

Parbati Koldam Transmission Company Limited

The Company has a defined benefit gratuity plan. Such plan is funded and employees working under Parbati Koldam Transmission Company Limited are covered under this plan. The gratuity benefits payable to the employees are based on the employee's service Every employee who has completed five years or more of service gets a gratuity on departure at last drawn salary at the time of leaving.
The employee do not contribute towards this plan and the full cost of providing these benefits are met by the Company. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

Changes in the present value of the defined benefit obligation are as follows:

Particulars	31 March 2023 (Rs. in million)	31 March 2022 (Rs. in million)
Defined benefit obligation at the beginning of the year	**5.02**	**6.05**
Transfer in/(out) obligation	(0.22)	-
Current service cost	0.47	0.41
- Interest Cost	0.32	0.41
- Past service cost	-	-
Benefit paid directly by the employer	(0.29)	(0.41)
Remeasurements during the period due to:		-
Actuarial (gain)/loss due to change in demographic assumptions	-	(0.06)
Actuarial (gain)/loss due to change in financial assumptions	(0.15)	(0.04)
Actuarial (gain)/loss on obligation due to experience	(0.56)	(1.34)
Present value of defined benefit obligation at the end of the year	**4.59**	**5.02**

* Pertains to liabilities transferred on acquisition of Parbati Koldam Transmission Company Limited by the Group.

Details of defined benefit obligation

Particulars	31 March 2023 (Rs. in million)	31 March 2022 (Rs. in million)
Present value of defined benefit obligation	4.59	5.02
Fair value of plan assets	(12.72)	(11.90)
Benefit recognized as advance gratuity	**(8.13)**	**(6.88)**

Net employee benefit expense recognised in the statement of profit and loss:

Particulars	31 March 2023 (Rs. in million)	31 March 2022 (Rs. in million)
Current service cost	0.47	0.41
Interest cost on defined benefit obligation	0.32	0.41
Past service cost	-	-
Expected return on plan assets	-	-
Contribution by employer	-	-
Net benefit expense	**0.79**	**0.82**

Net employee benefit expense recognized in the Other Comprehensive Income:

Particulars	31 March 2023 (Rs. in million)	31 March 2022 (Rs. in million)
Actuarial (gain)/loss on obligation for the year	(0.71)	(1.44)
Return on plan assets , excluding interest income	-	-
Change in asset ceiling	-	-
Net (income)/expense for the year recognized in OCI	**(0.71)**	**(1.44)**

Changes in Fair Value of plan assets:

Particulars	31 March 2023 (Rs. in million)	31 March 2022 (Rs. in million)
Opening value of plan assets	**11.90**	11.24
Actuarial (gain)/loss on obligation for the year		0.76
Interest cost/(income) on plan assets	0.82	-
Actual return on plan assets less interest/(income) on plan assets	0.00	(0.11)
Closing Balance of Fair Value of Plan Assets	**12.72**	**11.90**

Amounts for the current and previous year are as follows:

Particulars	31 March 2023 (Rs. in million)	31 March 2022 (Rs. in million)
Defined benefit obligation	4.59	5.02
Plan assets	12.72	11.90
Surplus / (deficit)	**8.13**	**6.88**

The principal assumptions used in determining defined benefit obligation are shown below:

Particulars	31 March 2023 (Rs. in million)	31 March 2022 (Rs. in million)
Discount rate	7.40%	6.90%
Expected rate of return on plan asset	-	-
Employee turnover	10.00%	10.00%
Salary escalation rate (p.a)	7.00%	7.00%
Actual rate of return on plan assets	-	-
Retirement age (years)	58	58

The estimated future salary increase, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

A quantative sensitivity analysis for significant assumptions as at 31 March 2023 and 31 March 2022 is as shown below:

Particulars	31 March 2023 (Rs. in million)	31 March 2022 (Rs. in million)
Projected benefit obligation on current assumptions	4.59	5.02
Obligation after +1% Change in discount rate	(4.31)	(4.70)
Obligation after -1% Change in discount rate	4.90	5.40
Obligation after +1% Change in salary escalation rate	4.90	5.39
Obligation after -1% Change in salary escalation rate	(4.31)	(4.69)

The following is the expected payment of benefits in the future years:

Particulars	31 March 2023 (Rs. in million)	31 March 2022 (Rs. in million)
Within the next 2 years	0.97	1.03
Between 3 and 5 years	2.12	1.99
Between 6 and 10 years	1.43	1.76
Total expected payments	**4.53**	**4.78**

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2023
(All amounts in Rs. million unless otherwise stated)

Note 40: Long Term Incentive Plan

Long Term Incentive Plan 2021 and 2022

During the year ended 31 March 2023, the Group launched a Long-Term Incentive Plan 2022 ("Scheme"). This Scheme has been formulated by the Nomination and Remuneration Committee and approved by it at its meeting held on 20 May 2022 and approved by the Board at its meeting held on 20 May 2022. The Scheme is established with effect from 01 April 2022 and shall continue to be in force until: (i) its termination by the Board, or (ii) the date on which all of the Unit Linked Rights available for issuance under the Scheme have been issued or have lapsed, or have been cancelled by the Nomination and Remuneration Committee, and the Nomination and Remuneration Committee does not intend to re-issue such lapsed or cancelled Unit Linked Rights.

The Board, at its meeting held on May 26, 2021, has resolved to issue to Employees under the Scheme 2021, Unit Linked Rights, in one or more tranches, whereby each such Unit Linked Right confers the right on the Grantee to receive Value in terms of this Scheme 2021.

Particulars	31 March 2023	31 March 2022
Opening balance as at the beginning of the year	22.36	11.29
Transfer in/(out) obligation	1.50	-
LTIP granted during the year	5.29	15.23
LTIP cancelled during the year	-	(0.12)
Payment towards LTIPs vested	(14.43)	(6.93)
Balance	**14.72**	**19.47**
Provision for distribution	2.80	2.89
Closing balance as at the end of the year	**17.52**	**22.36**

During the year, the Group has granted 0.13 million units of India Grid Trust to eligible employees under the Long-Term Incentive Plan 2021 and 2022 ("Scheme") as approved by the Nomination and Remuneration Committee and by the Board at the meetings held on 20 May 2022.

Vesting of Unit Linked Rights shall be subject to the conditions that the Grantee is:
a. in continuous employment with the Company;
b. is not serving any notice of resignation/ termination on the date of such Vesting (except in the case of (a) death; (b) Permanent Incapacity suffered by the Grantee; or (c) Retirement; and
c. is not subject to any pending disciplinary proceeding.

The Value of the payout would be determined as per following formula:
Value of the vested Unit Linked Rights = Number of Unit Linked Rights Vested * 30 days closing volume weighted average# of IndiGrid market price + (Distribution* earned on the unvested units).

Volume weighted average price of per unit is the 30 days closing average of IndiGrid market price (From 02 March 2023 to 31 March 2023).

Distribution payout is subject to actual declaration accumulated on units and approval for India Grid Trust.

Note 41: List of subsidiaries which are included in consolidation and IndiGrid's effective holding therein are as under:

Name of the Entity	Country of incorporation	Effective ownership as on 31 March 2023	Effective ownership as on 31 March 2022
Directly held by the Trust:			
Indigrid Limited ("IGL")	India	100%	100%
Indigrid 1 Limited ("IGL1")	India	100%	100%
Indigrid 2 Limited ("IGL2")	India	100%	100%
Patran Transmission Company Limited ("PTCL")	India	100%	100%
East-North Interconnection Company Limited ("ENICL")	India	100%	100%
Gurgaon-Palwal Transmission Limited ("GPTL")[1]	India	49%	49%
Jhajjar KT Transco Private Limited ("JKTPL")	India	100%	100%
Parbati Koldam Transmission Company Limited ('PrKTCL')[2]	India	74%	74%
NER II Transmission Limited ("NER")[3]	India	49%	49%
IndiGrid Solar-I (AP) Private Limited ("ISP1")	India	100%	100%
IndiGrid Solar-II (AP) Private Limited ("ISP2")	India	100%	100%
Indirectly held by the Trust (through subsidiaries):			
Bhopal Dhule Transmission Company Limited ("BDTCL")	India	100%	100%
Jabalpur Transmission Company Limited ("JTCL")	India	100%	100%
Purulia & Kharagpur Transmission Company Limited ("PKTCL")	India	100%	100%
RAPP Transmission Company Limited ("RTCL")	India	100%	100%
Maheshwaram Transmission Limited ("MTL")	India	100%	100%
NRSS XXIX Transmission Limited ("NTL")	India	100%	100%
Odisha Generation Phase-II Transmission Limited ("OGPTL")	India	100%	100%
Kallam Transmission Limited ("KTL")[4]	India	100%	100%
Raichur Sholapur Transmission Company Private Limited ("RSTCPL")[5]	India	100%	0%
Khargone Transmission Limited ("KgTL")[6]	India	49%	0%

1. The Group acquired 49% of paid up equity capital of Gurgaon Palwal Transmission Limited ('GPTL') with effect from 28 August 2020 from Sterlite Power Transmission Limited ("SPTL") , (referred as "the Seller") pursuant to Share Purchase Agreement dated 28 August 2020 (“SPA”). The Group has finalised purchase consideration for acquisition of entire stake in GPTL and has entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in GPTL from the Selling Shareholders. The Group has beneficial interest based on the rights available to it under the SPA.

2. The Group acquired 74% of paid up equity capital of Parbati Koldam Transmission Company Limited ('PrKTCL') with effect from 08 January 2021 from Reliance Infrastructure Limited (referred as "the Seller") pursuant to Share Purchase Agreement dated 28 November 2020 (“SPA”). The balance 26% share in PrKTCL is held by PowerGrid Corporation of India Limited (“PGCIL”).

3. The Group acquired 49% of paid up equity capital of NER II Transmission Limited ("NER") with effect from 25 March 2021 from Sterlite Power Transmission Limited ("SPTL") , (referred as "the Seller") pursuant to Share Purchase Agreement dated 05 March 2021, as amended on 25 March 2021 (“SPA”). The Group has finalised purchase consideration for acquisition of entire stake in NER and has entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in NER from the Selling Shareholders. The Group has beneficial interest based on rights available to it under SPA.

4. The letter of intent for development of Kallam Transmission Limited (KTL) was awarded to consortium of IGL1 and IGL2 (“IndiGrid Consortium”) by the REC Power Development and Consultancy Limited (formerly known as REC Power Distribution Company Limited) on 30 November 2021 for a 35-year period from the scheduled commercial operation date, on a Build, Own, Operate and Maintain model. IndiGrid Consortium acquired the project on 28 December 2021 pursuant to Share Purchase Agreement (“SPA”). The project is currently under development with scheduled commissioning on September 2023.

5. The Trust acquired 100% equity capital and management control of Raichur Sholapur Transmission Company Private Limited ('RSTCPL') with effect from 09 November 2022 from Simplex Infrastructure Limited, Patel Engineering Limited and BS Limited dated pursuant to Share Purchase Agreement dated 30 July 2022 (“SPA”)

6. The Trust acquired 49% equity capital and management control of Khargone Transmission Limited ('KgTL') with effect from 02 March 2023 from Sterlite Power Transmission Limited dated pursuant to Share Purchase Agreement dated 21 January 2023 (“SPA”) . The Group has acquired 49% and have paid for the balance 51% consideration (subject to certain agreed hold back amount).Considering the rights available to the Trust as per SPA, the Trust has concluded that it controls KgTL, and have considered KgTL as a wholly owned subsidiary from 02 March 2023.

Note 42: Regulatory Deferral Account Balances

Regulatory Assets / (Liability) with respect to entity Parbati Koldam Transmission Limited:
In accordance with the Guidance Note on Rate Regulated Activities issued by ICAI, the reconciliation of the Regulatory Assets / (Liabilities) of PrKTCL (a subsidiary of the Group) as on March 31, 2023 is as under:

(Rs. in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Regulatory Asset / (Liability)		
Opening Balance	-	-
Add: Accrued during the period		
For Current Period / Year		
- Return on Equity	-	-
Regulatory Asset / (Liability) on account of Deferred Account balance	(0.90)	(6.93)
Less: Deferred Tax on defferal liability	0.16	1.21
Total	**(0.74)**	**(5.72)**
Less: Payable / (Recoverable) from beneficiaries	0.74	5.72
Closing Balance	**-**	**-**
Deferred Tax Liability		
Opening Balance	649.64	656.57
Add: Deferred Tax Liability during the period / year	(0.90)	(6.93)
Total	**648.74**	**649.64**
Less: Recoverable from beneficiaries	(648.74)	(649.64)
Closing Balance	-	-

(i) Determination of Transmission service charges (TSC) chargeable by PrKTCL to its consumers is governed by CERC Tariff Regulation, 2019, whereby CERC determines the Transmission service charges wherein PrKTCL earns assured return of 15.5% p.a. post tax on CERC approved equity in the business. The rate review on account of grossing up with the actual tax rate or “truing up” process during the tariff period is being conducted as per the principle stated in CERC Regulations to adjust the tariff rates downgrade or upgrade to ensure recovery of actual tax paid and assured return on equity.

(ii) During the truing up process, revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) are determined by the regulator and are permitted to be carried forward as regulatory assets/ regulatory liabilities which would be recovered / refunded through future billing based on future tariff determination by the regulator. At the end of each accounting period, PrKTCL also determines regulatory assets/regulatory liabilities in respect of each accounting period on self true up basis.

Market Risk
PrKTCL is in the business of developing the Transmission Line for supplying the eletricity to beneficiary, therefore no demand risk anticipated because the License issued by the CERC for 25 years. The Project is constructed under Cost Plus Contract.

Regulatory Risk
(i) PrKTCL is Operating under Regulatory Environment governed by Central Electricity Regulatory Commission (CERC). Tariff is subject to Rate Regulated Activities.

(ii) PrKTCL determine revenue gaps (i.e. surplus / shortfall in actual returns over returns entitled) in respect of their regulated operations as given in the Guidance Note on Rate Regulated Activities and based on the principles laid down under the relevant tariff regulations / tariff orders notified by the CERC and the actual or expected actions of the regulators under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the respective years for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments / accruals representing revenue gaps are carried forward as regulatory defferal account debit / credit balances which would be recovered / refunded through future billing based on future tariff determination by the regulators in accordance with the respective electricity regulations.
(iii) The key risks and mitigating actions are also placed before the Audit Committee of PrKTCL. PrKTCL's risk management policies are established to identify and analyze the risks faced by PrKTCL, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and PrKTCL's activities.
(iv) PrKTCL’s risk for Regulatory Assets are monitored by the Regulatory Team under policies approved by the Board of Directors. The Team identifies, evaluates and protect risks in close cooperation with PrKTCL’s operating units. The board provides principles for overall risk management, as well as policies covering specific areas.
(v) Regulatory Assets recognized in the Books of Accounts of PrKTCL are subject to True up by CERC as per Regulation.

(All amounts in Rs. million unless otherwise stated)

Net tax recoverable from beneficiaries:
1. In accordance with the CERC tariff regulation for determination of tariff, the income-tax paid is considered for tariff determination (truing up). Accordingly, PrKTCL has considered deferred tax liability as on 31 March 2023 as Net tax recoverable from beneficiaries.

2. As per the Standard, deferred tax on timing differences which reverse during the tax holiday period should not be recognised. For this purpose, the reversal during the tax holiday period is adjusted against the deferred tax liability created till FY 2022-2023. Therefore, the reversal of timing difference during the tax holiday period, would be considered to be out of the timing difference as at 31 March 2023 and reversed during the period ended 31 March 2023.

Note 43: Code on Social Security

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the Group believes the impact of the change will not be significant.

Note 44: Subsequent event

On 12 May 2023, the Board of directors of the Investment Manager approved a distribution of Rs. 3.45 per unit for the period 01 January 2023 to 31 March 2023 to be paid on or before 15 days from the date of declaration.

Note 45: Other Information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
(ii) The Group does not have any transactions with Companies struck off.
(iii) The Group have not traded or invested in Cryptocurrency or Virtual Currency during the financial year.
(iv) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
(v) The Group has not been declared as a wilful defaulter by any bank or financial institution or other lender.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

per Huzefa Ginwala	**Harsh Shah**	**Urmil Shah**	**Navin Sharma**
Partner	CEO & Whole Time Director	Company Secretary	Chief Financial Officer
Membership Number : 111757	DIN: 02496122	Membership Number : A23423	
Place : Pune	Place : Mumbai	Place : Mumbai	Place : Mumbai
Date : 12 May 2023	Date : 12 May 2023	Date : 12 May 2023	Date : 12 May 2023

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of India Grid Trust

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of India Grid Trust (hereinafter referred to as "the InvIT") and its subsidiaries (the InvIT and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Statement of Changes in Unit Holder's Equity, the consolidated Statement of Cash Flow for the year then ended, the consolidated Statement of Net Assets at fair value as at March 31, 2022, the consolidated Statement of Total Returns at fair value, the Statement of Net Distributable Cash Flows ('NDCFs') of the InvIT, the underlying Holding Companies ("HoldCos") and each of its subsidiaries for the year then ended, and a summary of significant accounting policies and other explanatory notes (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended including any guidelines and circulars issued thereunder (together referred as the "InvIT Regulations") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent not inconsistent with InvIT regulations, of the consolidated state of affairs of the Group as at March 31, 2022, its consolidated profit including other comprehensive income, its consolidated cash movements and its consolidated movement of the unit holders' funds for the year ended March 31, 2022, its consolidated net assets at fair value as at March 31, 2022, its consolidated total returns at fair value and the net distributable cash flows of the InvIT, the underlying HoldCos and each of its subsidiaries for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the InvIT Regulations and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Applicability of Appendix D of Ind AS 115 'Service Concession Arrangement *(as described in Note 28 of the consolidated financial statements)*	
The Group through its subsidiaries acts as a transmission licensee under the Electricity Act, 2003 holding valid licenses for 25/35 years. Generally, the subsidiaries have entered into Transmission Services Agreements ("TSA") with Long Term Transmission Customers ("LTTC") through a tariff-based bidding process to Build, Own, Operate and Maintain ("BOOM")/ Build, Own and Operate ("BOO)" the transmission infrastructure for a period of 25/35 years or have entered into Power Purchase Agreements ("PPA") with Solar Energy Corporation of India ("SECI"), a limited liability company owned 100% by the Government of India, for development of solar power project, generation and sale of solar power with a contractual period of 25 years at a fixed tariff. The Management of Investment Manager ("the management") is of the view that the grantor as defined under Appendix D of Ind AS 115 ("Appendix D") requires transmission licensee or solar power developer to obtain various approvals under the regulatory framework to conduct its operations both during the period of the license or power purchase agreement as well as at the end of the license period or expiry date of power purchase agreement. In the view of management, generally the grantor's involvement and approvals are to protect public interest and are not intended to control, through ownership, beneficial entitlement or otherwise, any significant residual interest in the transmission/solar infrastructure at the end of the term of the arrangement. Accordingly, management is	Our audit procedures included, among others, the following: • We obtained and read the TSAs/ PPAs to understand roles and responsibilities of the grantor. • We read and evaluated the TSAs/ PPAs to understand whether the grantor controls significant residual interest in the infrastructure at the end of the term of the arrangement through ownership, beneficial ownership or otherwise. • We discussed with the management regarding the extent of grantor's involvement in the transmission/ solar assets and grantor's intention not to control the significant residual interest through ownership, beneficial entitlement or otherwise. • We assessed the positions taken by other entities in India with similar projects/TSAs/ PPAs as to the extent of involvement of the grantor and the consequent evaluation of the applicability of Appendix D for such entities and confirmed our understanding. • We read and assessed the disclosures included in the consolidated financial statements for compliance with the relevant accounting standards requirements.

Key audit matters	How our audit addressed the key audit matter
of the view that Appendix D is not applicable to the Group. Considering the judgement involved in determining the grantor's involvement and whether the grantor controls, through ownership, beneficial entitlement or otherwise, and any significant residual interest in the transmission/solar infrastructure at the end of the term of the arrangement, this is considered as a key audit matter.	
<u>Key judgements and estimates used in the application of Appendix D of Ind AS 115 'Service Concession Arrangement' a subsidiary of the Group - Jhajjar KT Transco Private Limited (JKTPL)</u> *(as described in Note 28 of the consolidated financial statements)*	
JKTPL acts as a transmission licensee under the Electricity Act, 2003 holding valid licenses for 25 years issued by Haryana Electricity Regulation Commission. JKTPL has entered into TSA with Haryana Vidyut Prasaran Nigam Limited through a tariff-based bidding process to Design, Build, Finance, Operate and Transfer ("DBFOT") the transmission infrastructure for a period of 25 years. The Group constructs transmission infrastructure and operates and maintains such infrastructure for a specified period of time. The infrastructure constructed by the Group is not recorded as property, plant and equipment of the Group because the TSA does not transfer to the concessionaire the right to control the use of public services infrastructure. The group only has the right to operate the infrastructure for the provision of public services on behalf of the grantor, as provided in the contract. Thus, under the terms of the TSA, the Group only acts as a service provider. Hence this arrangement is accounted for under Appendix D to Ind AS 115 – Service Concession Arrangements. The Group has classified the concession arrangements under financial asset model since the operator has an unconditional contractual right to receive cash or other financial assets from or at the direction of the grantor for the services. Accordingly, the above matter was determined to be a key audit matter in our audit of the consolidated financial statements.	Our audit procedures included, among others, the following: • We evaluated terms of the TSA to understand roles and responsibilities of the grantor. • We tested, on sample basis, the base data and supporting documents for basis of key assumptions and estimates used by the management. • We read and evaluated the TSA to understand whether the grantor controls significant residual interest in the infrastructure at the end of the term of the arrangement through ownership, beneficial ownership or otherwise. • We evaluated the management's assessment process for applicability of Appendix D of Ind AS 115 for transmission projects based on the terms of the agreement and tested the judgements/ estimates relating to future cash flows over the concession period, and discounting rate used to discount expected cash flows. • We tested the arithmetical accuracy of the valuation models. • We read and assessed the disclosures included in the consolidated financial statements for compliance with the relevant accounting standards requirements.
<u>Impairment of property, plant and equipment and service concession arrangements</u>	

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">(as described in Note 3 and 28 of the consolidated financial statements)</td></tr>
<tr><td>The Group owns and operates various power transmission and generation assets. The carrying value of the power transmission and generation assets as at March 31, 2022, included under property, plant and equipment and service concession arrangements is INR 170,830.81 million.

In accordance with Ind AS 36 and Ind AS 109, at each reporting period end, management assesses the existence of impairment indicators of property, plant and equipment and service concession arrangements. In case of existence of impairment indicators, property, plant and equipment and service concession arrangements balances are subjected to impairment test.

The processes and methodologies for assessing and determining the fair value is based on complex assumptions, that by their nature imply the use of the management's judgment, in particular with reference to identification of forecast of future cash flows relating to the period covered by the respective subsidiary's transmission license or solar power purchase agreement, debt equity ratio, cost of debt, cost of equity, residual value, etc.

Considering the judgment involved in determination of fair values due to inherent uncertainty and complexity of the assumptions used in determination of fair values, this is considered as a key audit matter.</td><td>Our audit procedures included, among others, the following:
We obtained an understanding of the Group's process on assessment of impairment of property, plant and equipment and service concession arrangements and the assumptions used by the management, including design and implementation of controls, validation of management review controls. We have tested the operating effectiveness of these controls.
We obtained and read the valuation report of the Group's independent valuation expert, and assessed the expert's competence, capability and objectivity.
We evaluated the independent valuation expert's methodology, assumptions and estimates used in the calculations.
We tested on sample basis that the tariff revenues considered in the respective valuation models are in agreement with TSAs / PPAs/ tariff orders.
We tested completeness, arithmetical accuracy and validity of the data used in the calculations.
In performing the above procedures, we involved valuation specialists to perform an independent review of methodology and key assumptions used in the valuation.
We read and assessed the disclosures included in the notes to the consolidated financial statements</td></tr>
<tr><td colspan="2"><u>Classification of unit holders' funds as equity</u> (as described in Note 28 of the consolidated financial statements)</td></tr>
<tr><td>The InvIT is required to distribute to Unitholders not less than ninety percent of its net distributable cash flows for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the InvIT to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instrument which contains both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars No. CIR/IMD/DF/114/2016 dated October 20, 2016 and No.</td><td>Our audit procedures included, among others the following:
We obtained and read the requirements for classification of financial liability and equity under Ind AS 32 and evaluated the provisions of SEBI Circulars for classification/presentation of unit holders' funds in the financial statements of an Infrastructure Investment Trust.
We read and assessed the disclosures included in the consolidated financial statements for compliance with the relevant requirements of InvIT regulations.</td></tr>
</table>

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>CIR/IMD/DF/127/2016 dated November 29, 2016 ("SEBI Circulars") issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated October 20, 2016 dealing with the minimum disclosures for key financial statements.

Considering the judgment required for classification of unit holders' funds as equity, this is considered as a key audit matter.</td><td></td></tr>
<tr><td colspan="2"><u>Acquisition of Transmission/ Solar Special Purpose Vehicles ("SPVs") classified as asset acquisitions</u> (as described in Note 28 of the consolidated financial statements)</td></tr>
<tr><td>The Group acquires operational transmission/ solar SPVs from the Sponsor or from third parties. The purchase consideration primarily pertains to the fair value of the transmission assets/ solar assets. All such assets are operational assets with fixed tariff revenues under the Transmission Services Agreements/ Power Purchase Agreements (TSAs/PPAs) for 25/35 years. The only key activity for these SPVs is the maintenance of the transmission assets/ solar assets which is outsourced to third parties. Generally, there are no employees in these entities and no other significant processes are performed for earning tariff revenues in any of the SPVs except in case of Parbati Koldam Transmission Company Limited, Indigrid Solar-I (AP) Private Limited (ISPL1) and Indigrid Solar-I (AP) Private Limited (ISPL2) wherein there are few employees.

Based on evaluation of the above fact pattern vis-a-vis the guidance on definition of business under Ind AS, including evaluation under the optional concentration test, and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management classified the acquisition of transmission/ solar SPVs as asset acquisition.

Considering the management judgement involved in determining if the acquisition of transmission/ solar SPVs constitute business or asset, it is considered as a key audit matter.</td><td>Our audit procedures included, among others, the following:

• We read the relevant guidance under Ind AS on determining if the acquired SPV constitutes a business.

• We assessed the activities of the transmission/ solar SPVs.

• We read and assessed the Group's accounting policy for recognition and classification on the acquisition of transmission/ solar SPVs.

• We discussed with the management the key assumption underlying the Group's assessment and tested the underlying data used for classification made by the Group.

• We read and assessed the disclosures in the consolidated financial statements for compliance with the relevant accounting standards requirement.</td></tr>
</table>

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td></td><td></td></tr>
<tr><td colspan="2">Disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value as per InvIT regulations
(as described in Note 28 of the consolidated financial statements)</td></tr>
<tr><td>The Group is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value pursuant to SEBI circulars issued under the InvIT regulations which requires fair valuation of the assets. Such fair valuation has been carried out by the independent valuer appointed by the the Group.

For the purpose of the above, fair value is determined by forecasting and discounting future cash flows.

The processes and methodologies for assessing and determining the fair value is based on complex assumptions, that by their nature imply the use of the management's judgment, in particular with reference to identification of forecast of future cash flows relating to the period covered by the respective subsidiary's transmission license, debt equity ratio, cost of debt, cost of equity, residual value, etc.

Considering the judgment involved in determination of fair values due to inherent uncertainty and complexity of the assumptions used in determination of fair values, this is considered as a key audit matter.</td><td>Our audit procedures included, among others the following:
We read the requirements of InvIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.
We discussed with the Management and obtained an understating of the Group's policy on the assessment of fair value and the assumptions used by the management, including design and implementation of controls, validation of management review controls.
Obtained understating of the Group's process for preparation statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value as per InvIT regulations and the assumption used by the management, including design and implementation of controls, validation of management review controls. We have tested the operating effectiveness of these controls.
We obtained and read the valuation report by the InvIT's independent valuation expert, and assessed the expert's competence, capability and objectivity.
We evaluated independent valuation expert's methodology, assumptions and estimates used in the calculations.
We tested on sample basis that the tariff revenues considered in the respective valuation models are in agreement with TSAs/ PPAs / tariff orders.
We tested completeness, arithmetical accuracy and validity of the data used in the calculations.
In performing the above procedures, we used our valuation specialists to perform an independent review of methodology and key assumptions used in the valuation.
We read and assessed the disclosures included in the notes to the consolidated financial statements.</td></tr>
</table>

Other Information

The management of Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited) (the "Investment Manager") is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Consolidated Financial Statements

The Management of the Investment Manager ('the Management') is responsible for the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash movements and the consolidated movement of the unit holder's funds for the year ended March 31, 2022, the consolidated net assets at fair value as at March 31, 2022, the consolidated total returns at fair value of the InvIT and the net distributable cash flows of the InvIT, the underlying HoldCos and each of its subsidiaries in accordance with the requirements of the InvIT regulations; Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India, to the extent not inconsistent with InvIT Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the management, as aforesaid.

In preparing the consolidated financial statements, the Board of Directors of the Investment Manager and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Management and respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the InvIT and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of two subsidiaries whose financial statements include total assets of Rs. 6,152.37 million as at March 31, 2022, and total revenues of Rs 630.90 million and net cash outflows of Rs 238.80 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

Based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss are in agreement with the books of account;

(c) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, to the extent not inconsistent with InvIT Regulations.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Huzefa Ginwala
Partner
Membership Number: 111757
UDIN: 22111757AJIQMX6075

Place of Signature: Pune
Date: 20 May 2022

INDIA GRID TRUST
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2022
(All amounts in Rs. million unless otherwise stated)

	Notes	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	1,67,882.05	1,63,898.29
Intangible assets	3.2	497.95	-
Capital work-in-progress	4	36.42	97.09
Financial Assets			
i. Other financial assets	7	3,289.66	2,856.18
Other non-current assets	8	639.81	333.31
		1,72,345.89	1,67,184.87
Current assets			
Financial assets			
i. Investments	5	1,451.73	-
ii. Trade receivables	9	3,898.15	2,976.55
iii. Cash and cash equivalents	10	11,873.37	26,066.29
iv. Bank Balances other than (iii) above	11	3,167.87	1,771.81
v. Loans	6	-	0.85
vi. Other financial assets	7	2,675.69	2,096.22
Other current assets	8	157.65	257.91
		23,224.46	33,169.63
Regulatory deferral account credit balances and related deferred tax balances	42	-	-
Total assets		1,95,570.35	2,00,354.50
EQUITY AND LIABILITIES			
Equity			
Unit capital	12	65,903.15	53,145.69
Other equity	13		
Retained earnings/ (Accumulated deficit)		(11,720.89)	(6,389.90)
Other reserves			
Self insurance reserve		-	68.13
Equity attributable to Non-controlling interests		796.58	1,681.02
Total unit holders' equity		54,978.84	48,504.92
Non-current liabilities			
Financial liabilities			
i. Borrowings	14	1,11,311.50	1,36,032.57
ii. Leases	15	26.58	32.12
ii. Other financial liabilities	17	286.41	-
Employee Benefit Obligations	18	8.43	3.94
Deferred tax liabilities (net)	20	1,049.44	921.39
		1,12,682.36	1,36,990.02
Current liabilities			
Financial liabilities			
i. Borrowings	14	22,036.95	9,729.50
ii. Leases	15	15.04	13.75
iii. Trade payables	16		
a. Total outstanding dues of micro enterprises and small enterprises		9.05	23.25
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		477.24	202.08
iv. Other financial liabilities	17	5,067.05	4,600.46
Employee Benefit Obligations	18	23.33	12.37
Other current liabilities	19	280.49	278.15
		27,909.15	14,859.56
Total liabilities		1,40,591.51	1,51,849.58
Total equity and liabilities		1,95,570.35	2,00,354.50
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)
(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 20 May 2022

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 20 May 2022

Swapnil Patil
Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 20 May 2022

Jyoti Kumar Agarwal
Chief Financial Officer
Place : Mumbai
Date : 20 May 2022

INDIA GRID TRUST
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022
(All amounts in Rs. million unless otherwise stated)

	Notes	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
INCOME			
Revenue from contracts with customers	21	22,221.83	16,769.19
Income from investment in mutual funds		193.62	129.91
Interest income on investment in fixed deposits		146.37	135.77
Other finance income		9.48	13.63
Other income		173.11	93.03
Total income (I)		22,744.41	17,141.53
EXPENSES			
Employee benefit expenses	23	288.35	140.78
Transmission infrastructure maintenance charges		441.51	300.79
Legal and professional fees		176.12	145.38
Annual listing fee		9.83	6.18
Rating fee		31.55	50.71
Valuation expenses		8.58	3.05
Trustee fee		4.63	3.48
Audit Fees			
- Statutory audit fees		13.98	11.22
- Tax audit fees		3.05	2.14
- Other services (including certification)		2.67	7.77
Other expenses	24	1,163.12	1,720.26
Depreciation and amortisation expense		6,654.86	4,304.85
Finance costs	25	10,501.48	6,864.95
(Reversal of impairment) / impairment of property, plant and equipment and service concession receivable		(54.97)	175.11
Total expenses (II)		19,244.76	13,736.67
Regulatory Deferral Income (refer note 42)		6.93	(15.51)
Profit before tax (I-II)		3,492.72	3,420.37
Tax expense			
Current tax		43.66	49.85
Deferred tax		10.97	24.92
Income tax for earlier years		5.34	1.51
Tax expense		59.97	76.28
Profit for the year		3,432.75	3,344.09
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		(0.80)	(3.62)
Other comprehensive income for the year		(0.80)	(3.62)
Total comprehensive income for the year		3,433.55	3,347.71
Profit for the year		3,432.75	3,344.09
Attributable to:			
Unit holders		3,484.12	3,337.09
Non-controlling interests		(51.37)	7.00
Other comprehensive income for the year		(0.80)	(3.62)
Attributable to:			
Unit holders		(0.46)	(2.68)
Non-controlling interests		(0.34)	(0.94)
Total comprehensive income for the year		3,433.55	3,347.71
Attributable to:			
Unit holders		3,484.58	3,339.76
Non-controlling interests		(51.03)	7.95
Earnings per unit			
Basic and diluted (in Rs.) (Computed on the basis of profit for the year)	27	5.03	5.72
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)(as Investment Manager of India Grid Trust)

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Jyoti Kumar Agarwal
Chief Financial Officer
Place : Mumbai
Date : 20 May 2022

INDIA GRID TRUST
CONSOLIDATED STATEMENT OF CHANGES IN UNIT HOLDERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2022
(All amounts in Rs. million unless otherwise stated)

A. Unit capital	Nos. in million	Rs. in million
Balance as at 01 April 2020	583.49	53,145.69
Units issued during the year (refer note 12)	-	-
Issue expenses	-	-
Balance as at 31 March 2021	583.49	53,145.69
Units issued during the year (refer note 12)	116.70	12,836.49
Issue expenses (refer note 12)	-	(79.03)
Balance as at 31 March 2022	700.19	65,903.15

(Rs. in million)

B. Other equity	Attriutable to unitholders			Non-controlling interest	Total other equity
	Other comprehensive income	Retained earnings/ Accumulated deficit	Self Insurance Reserve		
As at 01 April 2020	-	(2,659.44)	-	-	(2,659.44)
Add: Acquisition of subsidiary	-	-	58.07	1,673.07	1,731.14
Profit for the year	-	3,337.09	-	7.00	3,344.09
Other comprehensive income	2.68	-	-	0.94	3.62
Add/Less: Transferred to self insurance reserve/from retained earnings	-	(10.06)	10.06	-	-
Less: Distribution during the year (refer note below)	-	(7,060.17)	-	-	(7,060.17)
As at 31 March 2021	2.68	(6,392.58)	68.13	1,681.02	(4,640.75)
Profit for the year	-	3,484.12	-	(51.37)	3,432.75
Other comprehensive income	0.46	-	-	0.34	0.80
Less: Acquisition of subisidiary	-	-	-	(751.79)	(751.79)
Add/Less: Transferred from self insurance reserve/to retained earnings	-	50.44	(68.10)	17.69	-
Less: Dividend during the year	-	-	-	(99.31)	(99.31)
Less: Distribution during the year (refer note below)	-	(8,866.01)	-	-	(8,866.01)
As at 31 March 2022	3.14	(11,724.03)	-	796.58	(10,924.31)

Note:
The distribution relates to the distributions made during the financial year along with the distribution related to the last quarter of FY 2020-21 and does not include the distribution relating to the last quarter of FY 2021-22 which will be paid after 31 March 2022.

The distributions made by IndiGrid to its unitholders are based on the Net Distributable Cash Flows (NDCF) of IndiGrid under the InvIT Regulations and hence part of the same includes repayment of capital as well.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
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Membership Number : 111757
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DIN: 02496122
Place : Mumbai
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Swapnil Patil
Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 20 May 2022

Jyoti Kumar Agarwal
Chief Financial Officer
Place : Mumbai
Date : 20 May 2022

INDIA GRID TRUST
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022
(All amounts in Rs. million unless otherwise stated)

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
A. Cash flow generated from operating activities		
Net profit as per statement of profit and loss	3,433.55	3,347.71
Adjustment for taxation	59.97	76.28
Profit before tax	3,493.52	3,423.99
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation expenses	6,654.86	4,304.85
(Reversal)/ Impairment of investment in subsidiaries	(54.97)	175.11
Foreign exchange (gain)/ loss on borrowing	(126.93)	61.46
Finance cost	10,628.41	6,864.95
Income from investment in mutual funds	(193.62)	(129.91)
Interest income on investment in fixed deposits	(146.37)	(135.77)
Other finance income	(9.48)	(13.63)
Operating profit before working capital changes	20,245.42	14,551.05
Movements in working capital :		
- trade payables	464.11	(151.39)
- other current financial liabilities	420.88	862.04
- other current liabilities	15.92	(20.96)
- other non-current financial liabilities	286.65	-
- trade receivables	(668.26)	1,562.92
- other non-current financial asset	230.53	136.24
- other non-current asset	(140.25)	26.10
- other current financial asset	(301.31)	(407.88)
- other current assets	140.47	27.29
Changes in working capital	448.74	2,034.36
Cash generated from operations	20,694.16	16,585.41
Direct taxes paid (net of refunds)	112.42	210.35
Net cash flow generated from operating activities (A)	20,806.58	16,795.76
B. Cash flow (used in) investing activities		
Purchase of property plant & equipment (including capital work-in-progress and capital advances)	(11,050.09)	(54,955.51)
Purchase of service concession receivable of subsidiary	-	(3,128.27)
Purchase of equity shares/NCD/CCD of subsidiaries	(165.99)	-
Acquisition of other assets (net of other liabilities)	(970.89)	(670.67)
Proceeds from sale property plant & equipment	0.03	-
Interest income on investment in fixed deposits	117.83	135.56
Income from investment in mutual funds	193.62	129.91
Interest on others	9.48	13.63
Investment in mutual funds	(1,451.73)	-
Investment in fixed deposits (net)	(1,850.63)	(496.51)
Net cash flow used in investing activities (B)	(15,168.37)	(58,971.86)
C. Cash flow (used in)/generated from financing activities		
Proceeds from issue of unit capital	12,836.49	-
Unit issue expense incurred	(79.03)	-
Proceeds of long term borrowings	51,600.00	54,530.79
Repayment of long term borrowings	(70,721.01)	(15,764.01)
Acquisition of borrowings	7,106.84	38,807.08
Acquisition of non controlling interest	(807.65)	-
Payment of upfront fees of long term borrowings	(272.57)	(266.53)
Finance costs	(10,530.72)	(6,095.42)
Payment of dividend to non controlling interest	(99.31)	-
Payment of distributions to unitholders	(8,864.21)	(7,057.93)
Net cash flow (used in)/generated from financing activities (C)	(19,831.17)	64,153.98
Net (decrease)/increase in cash and cash equivalents (A + B + C)	(14,192.96)	21,977.88
Cash and cash equivalents as at beginning of year	26,066.29	4,088.41
Components of cash and cash equivalents as at year end	11,873.33	26,066.29

INDIA GRID TRUST
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022
(All amounts in Rs. million unless otherwise stated)

Components of cash and cash equivalents:	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Balances with banks:		
- On current accounts ^	11,873.37	23,101.29
- Deposit with original maturity of less than 3 months #	-	2,965.00
Total cash and cash equivalents (refer note 10)	11,873.37	26,066.29

^ Out of total amount, Rs. 11.38 million (31 March 2021: Rs. 9.35 million) pertains to unclaimed distribution to unitholders.
# Includes amount of Rs. Nil million (31 March 2021: Rs 2,044.20) is kept in Debt Service Reserve Account ('DSRA') as per borrowing agreements with lenders.

Reconciliation between opening and closing balances for liabilities arising from financing activities (including current maturities) :-

Particulars	Long term borrowings (Including current maturities)
01 April 2021	64,004.27
Cash flow	
- Interest	(6,095.42)
- Proceeds/(repayments)	81,701.71
Foreign exchange loss on borrowing	113.40
Lease liability	45.87
Accrual	6,864.95
31 March 2021	1,46,634.78
Cash flow	
- Interest	(10,530.72)
- Proceeds/(repayments)	(13,129.81)
Foreign exchange loss on borrowing	(126.93)
Lease liability	41.62
Accrual	10,501.48
31 March 2022	1,33,390.42

Summary of significant accounting policies 2.2

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
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Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 20 May 2022

Jyoti Kumar Agarwal
Chief Financial Officer
Place : Mumbai
Date : 20 May 2022

Disclosures Pursuant To SEBI Circulars
(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the InvIT Regulations)

A. STATEMENT OF NET ASSETS AT FAIR VALUE AS AT

(Rs. in million)

Particulars	31 March 2022		31 March 2021	
	Book value	Fair value	Book value	Fair value
A. Assets	1,95,570.35	2,32,813.33	2,00,354.50	2,37,186.21
B. Liabilities (at book value)	1,40,591.51	1,40,591.51	1,51,849.58	1,51,849.58
C. Net Assets (A-B)	54,978.85	92,221.82	48,504.92	85,336.63
D. Number of units	700.19	700.19	583.49	583.49
E. NAV (C/D)	78.52	131.71	83.13	146.25

Total assets after provision for impairment on investment in subsidiaries determined based on fair valuation. For the purpose of NAV Computation we have considered 100% of the fair valued assets and liabilities of PrKTCL and NER II (till 2020-2021) and the effect of non controlling interest of 26% of the fair valued assets and liabilities is not considered to arrive at the computed NAV.

Project wise breakup of fair value of assets as at 31 March 2022 (Rs. in million)

Project	31 March 2022	31 March 2021
Bhopal Dhule Transmission Company Limited	21,000.16	20,903.57
Jabalpur Transmission Company Limited	17,216.04	16,340.59
Maheshwaram Transmission Limited	6,007.60	5,984.30
RAPP Transmission Company Limited	4,524.97	4,295.43
Purulia & Kharagpur Transmission Company Limited	6,835.12	6,964.28
Patran Transmission Company Limited	2,693.67	2,622.19
NRSS XXIX Transmission Limited	47,854.07	49,275.13
Odisha Generation Phase-II Transmission Limited	14,906.52	15,188.55
East North Interconnection Company Limited	12,013.95	12,821.20
Gurgaon-Palwal Transmission Limited#	12,446.29	12,858.56
Jhajjar KT Transco Private Limited#	3,524.22	3,172.87
Parbati Koldam Transmission Company Limited#	9,792.84	10,226.37
NER II Transmission Limited#	53,738.42	67,695.29
IndiGrid Solar-I (AP) Private Limited(formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) ^	4,080.18	-
IndiGrid Solar-II (AP) Private Limited(formerly FRV India Solar Park-II Private Limited) ^	4,090.17	-
Kallam Transmission Limited	243.38	-
Subtotal	2,20,967.62	2,28,348.33
Assets (in IndiGrid)	11,845.72	8,837.88
Total assets	2,32,813.33	2,37,186.21

The Trust has acquired Gurgaon-Palwal Transmission Limited with effect from 28 August 2020, Jhajjar KT Transco Private Limited with effect from 28 September 2020, Parbati Koldam Transmission Company Limited with effect from 08 January 2021 and NER II Transmission Limited with effect from 25 March 2021.

^ The Trust has acquired IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) and IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) (from 13 July 2021) with effect from 13 July 2021.

B. STATEMENT OF TOTAL RETURNS AT FAIR VALUE

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Total comprehensive income (as per the statement of profit and loss)	3,433.55	3,347.71
Add/ (Less): other changes in fair value (e.g., in property, plant & equipment (if cost model is followed)) not recognized in total comprehensive income	9,009.91	28,286.19
Total Return	12,443.46	31,633.90

Notes:
1. Fair value of assets as at 31 March 2022 and as at 31 March 2021 and other changes in fair value for the year then ended as disclosed in the above tables are based on fair valuation report issued by the independent valuer appointed under the InvIT regulations.

2. Sensitivity analysis with respect to significant unobservable inputs used in the fair value measurement has been disclosed in Note 29A.

ADDITIONAL DISCLOSURES AS REQUIRED BY PARAGRAPH 6 OF ANNEXURE A TO THE SEBI CIRCULAR NO. CIR/IMD/DF/127/2016

A) Statement of Net Distributable Cash Flows (NDCFs) of India Grid Trust

Description	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
Cash flows received from the Portfolio Assets in the form of interest	16,885.69	11,370.40
Cash flows received from the Portfolio Assets in the form of dividend	282.66	413.89
Any other income accruing at IndiGrid level and not captured above, including but not limited to interest/return on surplus cash invested by IndiGrid	161.96	78.30
Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by IndiGrid	4,132.52	26,912.59
Proceeds from the Portfolio Assets for a capital reduction by way of a buy back or any other means as permitted, subject to applicable law	-	-
Proceeds from sale of assets of the Portfolio Asset not distributed pursuant to an earlier plan to re-invest, or if such proceeds are not intended to be invested subsequently	-	-
Total cash inflow at the IndiGrid level (A)	21,462.83	38,775.18
Less: Any payment of fees, interest and expense incurred at IndiGrid level, including but not limited to the fees of the Investment Manager and Trustee (refer note i and ii)	(9,371.42)	(5,206.08)
Less: Costs/retention associated with sale of assets of the Portfolio Assets:	-	-
-related debts settled or due to be settled from sale proceeds of Portfolio Assets;	-	-
-transaction costs paid on sale of the assets of the Portfolio Assets; and	-	-
-capital gains taxes on sale of assets/ shares in Portfolio Assets/ other investments.	-	-
Less: Proceeds reinvested or planned to be reinvested in accordance with Regulation 18(7)(a) of the InvIT Regulations	-	-
Less: Repayment of external debt at the IndiGrid level and at the level of any of the underlying portfolio assets/special purpose vehicles (Excluding refinancing)	-	-
Less: Income tax (if applicable) at the standalone IndiGrid level	(23.62)	1.18
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	(2,609.64)	(25,487.90)
Less: Repair work in relation to the projects undertaken by any of the Portfolio Assets	(35.00)	-
Total cash outflows / retention at IndiGrid level (B)	(12,039.68)	(30,692.80)
Net Distributable Cash Flows (C) = (A+B)	9,423.15	8,082.38

Notes :

i. Does not include interest accrued but not due for quarter and year ended 31 March 2022 of Nil (31 March 2021: Rs. 348.47 million) related to market linked non convertible debentures ('MLDs') which was payable on maturity of these MLDs from FY 2022 to FY 2024. In the current year, the Trust has repaid the MLDs and corresponding interest accrued to the extent of Rs. 659.32 million and has been included in the NDCF computation.

ii. Does not include Earn - out expenses for quarter and year ended 31 March 2022 of Nil (quarter ended 31 December 2021 of Nil, quarter ended 31 March 2021 of Nil and year ended 31 March 2021 of Rs. 117.27 million).

B) Statement of Net Distributable Cash Flows (NDCFs) of underlying Holdcos and SPVs

(i) IndiGrid Limited (formerly known as Sterlite Grid 1 Limited) (Holdco)

Description	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	(960.78)	851.22
Add: Depreciation, impairment and amortisation	25.16	(1,481.96)
Add/Less: Decrease/(increase) in working capital	(31.28)	50.50
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	537.24	638.24
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	-	(21.92)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	187.60	(157.16)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	718.72	(972.29)
Net Distributable Cash Flows (C) = (A+B)	(242.06)	(121.07)

(ii) Bhopal Dhule Transmission Company Limited (BDTCL) (SPV)

Description	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	(157.55)	97.41
Add: Depreciation, impairment and amortisation	709.21	704.88
Add/Less: Decrease/(increase) in working capital	(79.66)	110.82
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	1,239.73	1,321.63
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(66.97)	(85.26)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	40.40
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on interest free loan or other debentures;	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	3.39	3.75
Loss on account of MTM of F/W & ECB	(116.66)	113.40
Non Cash Income - Reversal of Prepayment penalty	-	
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	(43.79)
Total Adjustments (B)	1,689.04	2,165.83
Net Distributable Cash Flows (C) = (A+B)	1,531.49	2,263.24

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(iii) Jabalpur Transmission Company Limited (JTCL) (SPV)

Description	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	(1,815.28)	329.75
Add: Depreciation, impairment and amortisation	410.58	(1,617.83)
Add/Less: Decrease/(increase) in working capital	(65.80)	131.83
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	2,856.80	2,729.80
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	26.91	(25.16)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	3,228.49	1,218.64
Net Distributable Cash Flows (C) = (A+B)	1,413.21	1,548.39

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(iv) Maheshwaram Transmission Limited (MTL) (SPV)

Description	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	(177.74)	(157.52)
Add: Depreciation, impairment and amortisation	121.75	121.77
Add/Less: Decrease/(increase) in working capital	(7.62)	18.09
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	589.97	581.70
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(0.02)	(1.64)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	704.08	719.92
Net Distributable Cash Flows (C) = (A+B)	526.34	562.40

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(v) RAPP Transmission Company Limited (RTCL) (SPV)

Description	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	20.22	10.80
Add: Depreciation, impairment and amortisation	85.93	85.65
Add/Less: Decrease/(increase) in working capital	1.80	39.98
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	318.60	334.02
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	0.07	(7.54)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	406.40	452.11
Net Distributable Cash Flows (C) = (A+B)	426.63	462.91

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(vi) Purulia & Kharagpur Transmission Company Limited (PKTCL) (SPV)

Description	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	47.46	(22.74)
Add: Depreciation, impairment and amortisation	143.03	142.88
Add/Less: Decrease/(increase) in working capital	(18.24)	53.63
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	557.65	583.68
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(0.65)	(3.93)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	1.26	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	683.05	776.26
Net Distributable Cash Flows (C) = (A+B)	730.51	753.52

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(vii) Patran Transmission Company Limited (PTCL) (SPV)

Description	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	(115.32)	(144.84)
Add: Depreciation, impairment and amortisation	159.75	180.98
Add/Less: Decrease/(increase) in working capital	(3.88)	14.04
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	249.67	258.78
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(6.13)	(7.00)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	399.41	446.80
Net Distributable Cash Flows (C) = (A+B)	284.09	301.96

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(viii) IndiGrid 1 Limited (formerly known as Sterlite Grid 2 Limited) (Holdco)

Description	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	(18.78)	(172.27)
Add: Depreciation, impairment and amortisation	-	-
Add/Less: Decrease/(increase) in working capital	(2.63)	19.10
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	4.75	171.54
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT	-	-
Regulations	-	
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-		
invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-	-
recognised in profit and loss account		-
Less: Capital expenditure, if any	(0.35)	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	1.77	190.64
Net Distributable Cash Flows (C) = (A+B)	(17.01)	18.37

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(ix) NRSS XXIX Transmission Limited (NRSS) (SPV)

Description	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	102.42	28.31
Add: Depreciation, impairment and amortisation	828.28	828.58
Add/Less: Decrease/(increase) in working capital	85.47	243.04
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	3,920.38	4,099.21
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT	-	-
Regulations	-	
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-		-
invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss)	-	
recognised in profit and loss account		
Less: Capital expenditure, if any	(19.82)	(9.55)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		(12.70)
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	16.45	54.61
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	4,830.76	5,203.19
Net Distributable Cash Flows (C) = (A+B)	4,933.18	5,231.50

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(x) IndiGrid 2 Limited (formerly known as Sterlite Grid 3 Limited) (Holdco)

Description	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	(99.13)	(87.95)
Add: Depreciation, impairment and amortisation	-	-
Add/Less: Decrease/(increase) in working capital	0.30	36.39
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	91.22	89.55
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(0.15)	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees		-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	91.37	125.94
Net Distributable Cash Flows (C) = (A+B)	(7.76)	37.99

(xi) Odisha Generation Phase-II Transmission Limited (OGPTL) (SPV)

Description	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	(439.85)	(79.36)
Add: Depreciation, impairment and amortisation	398.84	381.40
Add/Less: Decrease/(increase) in working capital	(97.69)	193.14
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	1,559.59	905.67
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(8.67)	(4.37)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	12.19	1.25
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	(13.59)
Total Adjustments (B)	1,864.26	1,463.51
Net Distributable Cash Flows (C) = (A+B)	1,424.41	1,384.15

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xii) East-North Interconnection Company Limited (ENICL)(SPV)

Description	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	(466.85)	(105.97)
Add: Depreciation, impairment and amortisation	564.83	556.58
Add/Less: Decrease/(increase) in working capital	33.21	141.10
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	1,304.78	310.10
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(5.59)	(3.20)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	1,897.23	1,004.58
Net Distributable Cash Flows (C) = (A+B)	1,430.38	898.61

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xiii) Gurgaon-Palwal Transmission Limited (GPTL) (SPV)

Description	Year ended 31 March 2022 (Audited)	28 August 2020* to 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	(414.53)	(64.16)
Add: Depreciation, impairment and amortisation	358.42	210.11
Add/Less: Decrease/(increase) in working capital	(4.31)	120.94
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	1,437.73	252.70
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(70.25)	0.02
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		(1.10)
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	(37.60)	(21.68)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	117.56
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	1,683.99	678.55
Net Distributable Cash Flows (C) = (A+B)	1,269.46	614.39

* Being the date of acquisition by IndiGrid.

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xiv) Jhajjar KT Transco Private Limited (JKTPL) (SPV)

Description	Year ended 31 March 2022 (Audited)	28 September 2020* to 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	10.23	(7.82)
Add: Depreciation, impairment and amortisation	0.18	-
Add/Less: Decrease/(increase) in working capital	145.23	46.19
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	246.67	150.59
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	0.80	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	(2.40)
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	(1.15)	2.01
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	391.73	196.39
Net Distributable Cash Flows (C) = (A+B)	401.96	188.57

* Being the date of acquisition by IndiGrid.

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xv) Parbati Koldam Transmission Company Limited (PrKTCL) (SPV)

Description	Year ended 31 March 2022 (Audited)	08 January 2021* to 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	75.19	69.09
Add: Depreciation, impairment and amortisation	391.82	88.92
Add/Less: Decrease/(increase) in working capital	175.92	156.63
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	108.02	-
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(4.25)	(7.73)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	(13.06)
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	(7.59)	(1.87)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	23.22	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	(186.68)	(89.64)
Total Adjustments (B)	500.46	133.24
Net Distributable Cash Flows (C) = (A+B)	575.65	202.33

* Being the date of acquisition by IndiGrid.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xvi) NER II Transmission Limited (NER) (SPV)

Description	Year ended 31 March 2022 (Audited)	25 March 2021* to 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	(1,258.63)	(46.47)
Add: Depreciation, impairment and amortisation	983.03	14.14
Add/Less: Decrease/(increase) in working capital	(471.21)	(62.13)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	4,180.04	58.13
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
	-	
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(0.00)	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	4,691.86	10.14
Net Distributable Cash Flows (C) = (A+B)	3,433.23	(36.33)

* Being the date of acquisition by IndiGrid.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xvii) IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) (ISPL1) (SPV)

Description	13 July 2021* to 31 March 2022 (Audited)	Year ended 31 March 2021
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	(262.81)	-
Add: Depreciation, impairment and amortisation	122.69	-
Add/Less: Decrease/(increase) in working capital	21.13	-
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	403.20	-
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(1.76)	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	22.20	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	567.46	-
Net Distributable Cash Flows (C) = (A+B)	304.65	-

* Being the date of acquisition by IndiGrid.
Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xviii) IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) (ISPL2) (SPV)

Description	13 July 2021* to 31 March 2022 (Audited)	Year ended 31 March 2021
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	(242.16)	-
Add: Depreciation, impairment and amortisation	123.57	-
Add/Less: Decrease/(increase) in working capital	(2.73)	-
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	395.63	-
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(1.53)	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	21.58	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees		
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc.	-	-
(Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	536.52	-
Net Distributable Cash Flows (C) = (A+B)	294.36	-

* Being the date of acquisition by IndiGrid.

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xix) Kallam Transmission Limited (KTL) (SPV)

Description	28 December 2021* to 31 March 2022 (Audited)	Year ended 31 March 2021
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	-	-
Add: Depreciation, impairment and amortisation	-	-
Add/Less: Decrease/(increase) in working capital	-	-
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	-	-
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	-	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees		
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc.	-	-
(Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	-	-
Net Distributable Cash Flows (C) = (A+B)	-	-

* Being the date of acquisition by IndiGrid.

1. Group information

The consolidated financial statements comprise financial statements of India Grid Trust ("the Trust" or "IndiGrid") and its subsidiaries (collectively, the Group) for the year ended March 31, 2022. IndiGrid is an irrevocable trust settled by Sterlite Power Grid Ventures Limited (the "Sponsor") on October 21, 2016 pursuant to the Trust Deed under the provisions of the Indian Trusts Act, 1882 and registered with Securities Exchange Board of India ("SEBI") under the SEBI (Infrastructure Investment Trust) Regulations, 2014 as an Infrastructure Investment Trust on November 28, 2016 having registration number IN/InvIT/16-17/0005. The Trustee of IndiGrid is Axis Trustee Services Limited (the "Trustee"). The Investment manager for IndiGrid is Indigrid Investment Managers Limited (the "Investment Manager" or the "Management").

The objectives of IndiGrid are to undertake activities as an infrastructure investment trust in accordance with the provisions of the InvIT Regulations and the Trust Deed. The principal activity of IndiGrid is to own and invest in power transmission assets in India with the objective of producing stable and sustainable distributions to unitholders.

As at March 31, 2022, Group has following project entities ("Special Purpose Vehicles" or "SPVs") which are transmission infrastructure projects and Solar Projects developed on Build, Own, Operate and Maintain ('BOOM') basis:

1. Bhopal Dhule Transmission Company Limited ('BDTCL')
2. Jabalpur Transmission Company Limited ('JTCL')
3. RAPP Transmission Company Limited ('RTCL')
4. Purulia & Kharagpur Transmission Company Limited ('PKTCL')
5. Maheshwaram Transmission Limited ('MTL')
6. Patran Transmission Company Limited ('PTCL')
7. NRSS XXIX Transmission Limited ('NTL')
8. Odisha Generation Phase-II Transmission Limited ('OGPTL')
9. East-North Interconnection Company Limited ('ENICL')
10. Gurgaon-Palwal Transmission Limited ('GPTL')
11. Parbati Koldam Transmission Company Limited ('PrKTCL')
12. NER II Transmission Limited ('NER')
13. Kallam Transmission Limited ('KTL')

As at March 31, 2022, Group has following project entities which are transmission infrastructure projects developed on Build, Operate and Transfer ('BOT') basis:

1. Jhajjar KT Transco Private Limited ('JKTPL')

These SPVs have executed Transmission Services Agreements ("TSAs") with Long term transmission customers under which the SPVs have to maintain the transmission infrastructure for 25 or 35 years post commissioning.

As at March 31, 2022, following project entities which are engaged in generation of electricity through Solar projects developed Build, Own, Operate and Maintain ('BOOM') basis:

1. IndiGrid Solar – I (AP) Private Limited ('IndiGrid Solar – I')
2. IndiGrid Solar – I (AP) Private Limited ('IndiGrid Solar – II')

These SPVs have executed Power Purchase Agreements ("PPAs") with Solar Energy Corporation Limited ('SECI') for sale of electricity for 25 years post commissioning.

The address of the registered office of the Investment Manager is Unit No 101,First Floor, Windsor Village, KoleKalyan Off CST Road, Vidyanagari Marg, Santacruz(East) Mumbai, Maharashtra- 400098, India. The financial statements were authorised for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on 27 May 2022.

2. Significant Accounting Policies

2.1 Basis of preparation

The consolidated financial statements comprise of the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the

Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Unit Holders' Equity for the year then ended and the Consolidated Statement of Net Assets at fair value as at March 31, 2022 and the Consolidated Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCFs') of the Trust, the underlying holding company ("HoldCo") and each of its subsidiaries for the year then ended and a summary of significant accounting policies and other explanatory notes prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015(as amended), prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") read with SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations").

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets measured at fair value (e.g. Liquid mutual funds)

The consolidated financial statements are presented in Indian Rupees Millions, except when otherwise indicated.

As at March 31,2022, current liabilities exceed the current assets of the Group because of current maturity of the long-term borrowings. The Group is exploring the options to refinance the current maturity of the long-term borrowing when they become due for repayment. As per regulation 20 of INVIT regulations 2014, the Group is eligible for a total debt (net of cash and cash equivalents) of 70% to AUM. As at March 31, 2022, the total debt (net of cash and cash equivalents) to AUM is within the prescribed limits.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries as at 31 March 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent, i.e., year ended on 31 March.

Consolidation procedure:

(a). Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

(b). Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c). Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 *Income Taxes* applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the unit holders of the Trust and to the non-controlling interests (if any), even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.3 Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Group in preparing its consolidated financial statements:

a) Acquisition of Transmission and Solar SPVs classified as asset acquisitions

The Group acquires operational transmission and Solar Project SPVs from the Sponsor or from third party. The purchase consideration primarily pertains to the fair value of the transmission and Solar assets. All such assets are operational assets with fixed tariff revenues under the Transmission Services Agreements (TSAs) for 35 years and fixed tariff rate per unit under power purchase agreement ('PPA') for 25 years. The only key activity for these SPVs is the maintenance of the transmission assets and project assets which is outsourced to third parties and partially done in house. There are few employees in these entities and no other significant processes are performed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-a-vis the guidance on definition of business under Ind AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management has classified the acquisition of transmission SPVs as asset acquisition.

b) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle

- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group has identified twelve months as its operating cycle.

c) Foreign currencies

The Group's consolidated financial statements are presented in INR, which is its functional currency. The Group does not have any foreign operation.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

d) Fair value measurement

The Group measures financial instruments such as mutual funds at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In estimating the fair value of transmission assets/projects, the Group engages independent qualified external valuers to perform the valuation. The management works closely with the external valuers to establish the appropriate valuation techniques and inputs to the model. The management in conjunction with the external valuers also compares the change in fair value with relevant external sources to determine whether the change is reasonable. The management reports the valuation report and findings to the Board of the Investment Manager half yearly to explain the cause of fluctuations in the fair value of the transmission projects.

At each reporting date, the management analyses the movement in the values of assets and liabilities which are required to be re-measured or reassessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy
- Disclosures for valuation methods, significant estimates and assumptions
- Financial instruments (including those carried at amortised cost)

e) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

Power transmission services

Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCs for periods of 35 years. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs. The Group's performance obligation under the TSAs is to provide power transmission services. The performance obligation is satisfied over time as the customers receive and consume the benefits provided by the Group's performance as the Group performs. Accordingly, the revenue from power transmission services is recognised over time based on the transmission asset availabilities and the tariff charges approved under the respective CERC tariff orders and includes unbilled revenues accrued up to the end of the accounting period. The payment is generally due within 60 days upon receipt of monthly invoice by the customer.

Solar Business – Electricity generation

Revenue from contracts with customers comprises of revenue arrangement is based on long term PPA with its customer SECI. As per the PPA, the Group's performance obligation is to supply solar power at a rate specified in the PPA. Revenue is recognised over time for each period based on the volume of solar power supplied to the Customer as per the terms stated in the PPA at the metering point of the Customer. Estimates used in the revenue recognition as mentioned above are re-assessed periodically and are adjusted if required.

Regulatory Assets and revenue:

The group determines revenue gap for the period (i.e shortfall in actual returns over assured returns) based on the principles laid down under the CERC regulations and tariff orders issued by CERC. In respect of such revenue gaps, appropriate adjustments, have been made for the respective periods on a conservative basis in accordance with accounting policies and the requirement of Ind AS 114, "regulatory deferral accounts" read with guidance note on rate regulated activities issued by Institute of Chartered Accountants of India. ("ICAI")

Service Concession Arrangements:

The group through one of its subsidiaries also has operating and maintaining the power transmission system including sub-station constructed to provide services for a specified period of time in accordance with the transmission agreement entered into with the grantor.

Under Appendix D to lnd AS 115, this arrangement is considered as Service Concession Arrangement and in accordance with para 16 of the Appendix D to Ind AS 115, rights to receive the consideration from the grantor for providing services has been recognised as "financial assets".

Finance Income for Service Concession Arrangements under finance assets model is recognised using effective interest rate method. Revenue from operations and maintenance services are separately recognised in each period as and when services are rendered.

Contract balances

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Amounts which have been billed to the customers are disclosed as Trade receivables and amounts which are to be billed to the customers (and not conditional on the group's future performance) are disclosed under Other financial assets. Refer accounting policies for financial assets in Financial instruments – initial recognition and subsequent measurement.

f) Interest income/Dividend income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Income from dividend on investments is accrued in the year in which it is declared, whereby the Group's right to receive is established.

g) Taxation

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/value added/goods and service taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/value added/goods and service taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

h) Property, plant and equipment

Capital work in progress, property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. No decommissioning liabilities are expected or be incurred on the assets of plant and equipment.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction costs to the extent the expenditure can be attributable to construction activity or is incidental there to. Income earned during the construction period is deducted from the total of the indirect expenditure.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset Category	Useful Life considered	Useful life (Schedule II#)
Leasehold improvements	Lease Period*	30
Buildings (substation)	25	30
Substations	25-35	40
Transmission lines (including components)	25-35	40
Plant and machinery	2-5	15
Solar Plants	25	40
Data Processing Equipment (Computers)	3-5	3-6

Asset Category	Useful Life considered	Useful life (Schedule II#)
Furniture and Fittings	5-7.5	10
Office equipment's	4-5	3
Motor Vehicles	8	8
Roads	10	10

Schedule II to the Companies Act, 2013 which is applicable to the subsidiary companies.
*Leasehold improvements are depreciated over the useful life of the asset or the lease period, whichever is lower

The Group, based on technical assessments made by technical experts and management estimates, depreciates buildings (substation) and certain items of plant and equipment, data processing equipment, furniture and fittings, office equipment and vehicles over estimated useful lives which are different from the useful lives prescribed in Schedule II to the Companies Act, 2013 which is applicable to the subsidiary companies. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

i) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses, if any.
Intangible assets are amortised over their estimated useful life on a straight-line basis. Software is amortised over the estimated useful life ranging from 5-10 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.
The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is different from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

j) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less

any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Office Premises 5 years

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Interest-bearing loans and borrowings (see Note 32).

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is accounted on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

l) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculations on detailed budget and forecast calculations. These budgets are prepared for the entire project life.

Impairment losses of continuing operations are recognised in the statement of profit and loss

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

m) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

n) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (d) Revenue from contracts with customers.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

i. Debt instruments at amortised cost
ii. Debt instruments at fair value through other comprehensive income (FVTOCI)
iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost
A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instrument at FVTOCI
A 'debt instrument' is classified as FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, interest income, impairment losses and reversals and foreign exchange gain or loss are recognised in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Group does not have any financial assets which are subsequently measured at FVTOCI.

Debt instrument at FVTPL
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Equity investments
All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets
Majority of the financial assets of the Group which are not reflected at fair value pertain to trade and other receivables. Considering the nature of business, the Group does not foresee any credit risk on its trade and other receivables which may cause an impairment. Also, the Group does not have any history of impairment of trade and other receivables.

For the financial assets which are reflected at fair value, no further impairment allowance is necessary as they reflect the fair value of the relevant financial asset itself.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include borrowings and related costs, trade and other payables and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Embedded derivatives
An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets
The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised Classification	Accounting Treatment
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit or loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit or loss at the reclassification date.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o) Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Since the Group does not meet the strict criteria for hedge accounting, it has not applied hedge accounting in respect of its derivative contracts.

p) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Group's cash management.

q) Cash distribution to unit holders

The Group recognises a liability to make cash distributions to unit holders when the distribution is authorised and a legal obligation has been created. As per the InvIT Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

r) Earnings per unit

Basic earnings per unit is calculated by dividing the net profit or loss attributable to unit holders of the Trust (after deducting preference dividends and attributable taxes if any) by the weighted average number of units outstanding during the period. The weighted average number of units outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, split, and reverse split (consolidation of units) that have changed the number of units outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per unit, the net profit or loss for the period attributable to unit holders of the Trust and the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

Changes in accounting policies and disclosures

(i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no impact on the financial statements of the Trust.

(ii) Amendments to Ind AS 103 Business Combinations

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards* issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS This amendment had no impact on the standalone financial statements of the Trust.

(iii) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the financial statements of the Trust.

(iv) Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the standalone financial statements of, nor is there expected to be any future impact to the Trust.

These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material are not expected to have a significant impact on the Trust's standalone financial statements.

(v) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest

- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued

- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Trust. Trust intends to use the practical expedients in future periods if they become applicable.

(vi) (Conceptual framework for financial reporting under Ind AS issued by ICAI

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the standalone financial statements of, nor is there expected to be any future impact to the Trust.

These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material are not expected to have a significant impact on the Trust's standalone financial statements.

INDIA GRID TRUST
Consolidated Notes to Financial Statements for the year ended 31 March 2022

Note 3.1: Property, plant and equipment (PPE)

Particulars	Freehold land	Lease hold land	Building - office (leasehold improvements)	Building - Substations	Substations	Transmission lines	Plant and machinery	Data processing equipments	Furniture and fitting	Office equipment	Vehicle	Solar Power Plant	Road	Right of use (refer note (a) below)	Total
Gross block															
As at 01 April 2020	121.57	89.86	0.59	119.83	16,250.75	97,553.84	6.10	3.25	2.44	4.51	4.24	-	5.57	53.67	1,14,216.22
Additions	-	-	1.35	-	102.09	2,466.20	0.12	7.84	0.52	1.18	-	-	-	-	2,579.31
Additions on account of acquisition (refer note 28)	651.88	-	-	102.68	14,243.50	42,499.56	0.62	0.06	5.81	7.36	-	-	-	-	57,511.47
Disposals	-	-	-	-	(57.84)	(3.48)	(0.26)	(0.01)	(0.13)	(0.02)	-	-	-	-	(61.74)
Adjustments for Present Value	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.34)	(1.34)
As at 31 March 2021	773.45	89.86	1.94	222.51	30,538.50	1,42,516.13	6.58	11.14	8.64	13.03	4.24	-	5.57	52.33	1,74,243.92
Additions	17.07	-	-	-	104.40	61.99	75.60	57.85	15.91	32.93	2.92	-	-		368.67
Additions on account of acquisition (refer note 28)	2.04	-	-	-	-	-	-	-	-	-	-	5,895.99	-	3.88	5,901.92
Disposals	-	-	-	-	-	-	(0.45)	-	(0.02)	(0.99)	(0.80)	-	-	-	(2.25)
Adjustments on account of acquisition	-	-	-	-	-	4,461.87	-	-	-	-	-	-	-	-	4,461.87
As at 31 March 2022	792.56	89.86	1.94	222.51	30,642.90	1,47,039.99	81.73	69.00	24.53	44.98	6.36	5,895.99	5.57	56.21	1,84,974.13
Depreciation															
As at 01 April 2020	-	9.95	0.07	17.18	1,174.27	4,838.14	2.46	1.23	1.11	2.28	0.65	-	3.05	2.67	6,053.06
Charge for the year	-	3.52	0.06	6.21	559.67	3,717.85	0.80	1.95	0.86	2.61	0.93	-	-	10.39	4,304.85
Disposals	-	-	-	-	(12.28)	-	-	-	-	-	-	-	-	-	(12.28)
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2021	-	13.47	0.13	23.39	1,721.66	8,555.99	3.26	3.18	1.97	4.89	1.58	-	3.05	13.06	10,345.63
Charge for the year	-	3.51	0.01	12.48	1,014.16	5,302.30	0.84	7.53	2.86	7.46	1.21	263.32	-	10.64	6,626.31
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-		-
Impairment	-	-	-	-	-	120.14	-	-	-	-	-	-	-		120.14
As at 31 March 2022	-	16.98	0.14	35.87	2,735.82	13,978.44	4.10	10.70	4.83	12.35	2.79	263.32	3.05	23.70	17,092.08
Net Block															
As at 31 March 2021	773.45	76.39	1.81	199.12	28,816.84	1,33,960.13	3.32	7.97	6.67	8.14	2.66	-	2.52	39.27	1,63,898.29
As at 31 March 2022	792.56	72.88	1.80	186.64	27,907.08	1,33,061.56	77.63	58.29	19.70	32.63	3.57	5,632.67	2.52	32.51	1,67,882.05

Note a): Right-of- use asset

The Group has taken office building on lease which has lease term of 5 years with lock-in-period of 3 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The lease liability has been measured by using the incremental borrowing rate.
The Group has also taken leasehold land which has lease term of 25 years from the commercial operation date (COD) in relation to which the company is required to pay a fixed annual operating and maintenance expenses for using common infrastructure facilities. The lease liability has been measured by using the incremental borrowing rate.

Note 3.2: Intangible assets

Particulars	Computer software/License	Right-to-use common	Total
Gross block			
As at 01 April 2020	-	-	-
Additions	-	-	-
Acquisition of a subsidiary (restated)	-	-	-
As at 31 March 2021	-	-	-
Additions	93.07		93.07
Acquisition of a subsidiary (restated)	4.98	428.45	433.43
Discontinued operations	-	-	-
As at 31 March 2022	98.05	428.45	526.50
Amortisation and impairment			
As at 01 April 2020	-	-	-
Amortisation	-	-	-
As at 31 March 2021	-	-	-
Amortisation	14.50	14.05	28.55
Impairment	-	-	-
Discontinued operations	-	-	-
As at 31 March 2022	14.50	14.05	28.55
Net book value			
As at 31 March 2022	83.55	414.40	497.95
As at 31 March 2021	-	-	-

Note 4: Capital work-in-progress (CWIP)

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Opening balance	97.09	-
Additions	29.88	97.09
Capitalised	(90.55)	-
Total	36.42	97.09

CWIP Ageing Schedule as at 31 March 2022	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	36.42	-	-	-	36.42
Projects temporarily suspended	-	-	-	-	-
Total	36.42	-	-	-	36.42

CWIP Ageing Schedule as at 31 March 2021	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	97.09	-	-	-	97.09
Projects temporarily suspended	-	-	-	-	-
Total	97.09	-	-	-	97.09

Note 5: Investments

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Current		
Investment in mutual funds (valued at fair value through profit or loss)		
Book and market value of quoted investments		
Axis Overnight Fund - Direct Growth (6,496.68 units @ Rs. 1,123.84 each)	7.30	-
SBI Liquid Fund - Direct Growth (40,632.11 units @ Rs. 3,333.09 each)	135.43	-
SBI Overnight Fund - Direct Growth (33,551.75 unts @ 3,461.35 each)	144.78	-
HDFC Liquid Fund - Direct Plan-Growth Option (18,762.47 units @ 4,184.74 each)	78.51	-
Kotak Liquid Fund Direct Plan Growth (18,249.48 units @ 4,302.16 each)	78.53	-
Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option (51,909.77 units @ 5,208.03 each)	270.35	-
Axis Liquid Fund - Direct Growth (1,16,032 units @ 2,364.08 each)	274.31	-
Nippon India Overnight Fund - Direct Growth Plan (56,979.86 units @ 114.12 each)	6.50	-
UTI Liquid Cash Plan - Direct Plan - Growth (71,285.10 units @ 3,488.04 each)	248.65	-
Aditya Birla Sun Life Liquid Fund - Growth-Direct Plan (5,76,593.20 units @ 343.12 each)	197.87	-
Aditya Birla Sun Life Overnight Fund -Growth-Direct Plan (8,267.23 units @ 1,149.69)	9.50	-
Total	1,451.73	-

Note 6: Loans (unsecured, considered good)

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Current		
Education loan to employees	-	0.85
Total	-	0.85

Note 7: Other financial assets (unsecured, considered good) (carried at amortised cost)

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Non-Current		
Service Concession receivable (refer note 28)	2,787.29	3,178.09
Less : Provision for expected credit loss	(182.63)	(182.63)
Less : Provision for impairment (refer note 28)	-	(175.11)
	2,604.66	2,820.35
Viability Gap Funding (VGF) receivable$	143.62	-
Security deposits	61.38	10.40
Bank deposits for remaining maturity of more than 1 year# (refer note 11)	480.00	25.43
Total	3,289.66	2,856.18
Current		
Contract assets - unbilled revenue*	1,958.43	1,849.31
Service Concession Receivable	344.10	132.81
Viability Gap Funding (VGF) receivable$	222.50	-
Advances receivable in cash or kind	37.88	44.33
Interest accrued on deposits	93.34	64.80
Security deposits	0.23	-
Others	19.21	4.96
Total	2,675.69	2,096.22

* Unbilled revenue is the transmission charges and sale of solar power for the month of March 2022 amounting to Rs. 1,958.43 million (31 March 2021 : Rs. 1,849.31 million) billed in the month of April 2022.

$The Company was eligible to apply for the Viability Gap Funding (VGF) subject to the compliance of certain conditions of VGF Securitization Agreement, Letter of Intent and Power Purchase Agreement. During the year, the Company has, filed an application to the SECI requesting for VGF disbursement, confirming compliance with the terms and conditions attached to Grant, including creation of charge on 23 June 2021. In the opinion of the management, upon compliance with the terms and conditions, it is now reasonably certain that the VGF collection will ultimately be made and has accordingly, recorded the total grant receivable amounting to Rs. 445.00 million basis discounting to derive present value of Rs. 328.75 million, which is disclosed as receivable above and has recognised the income over the useful life on the depreciation asset in the proportions in which depreciation on related assets is charged from the commissioning date.

Note 8: Other assets (unsecured, considered good)

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Non-Current		
Capital advances (unsecured, considered good)	268.04	60.98
Less: Provision for doubtful advances	(10.83)	(10.83)
	257.21	50.15
Advance income tax, including TDS (net of provisions)	99.96	144.30
Deposits paid under dispute (refer note 33)	151.67	138.81
Deferred income on security deposit	75.90	-
Others	55.07	0.05
Total	639.81	333.31
Current		
Prepaid expenses	107.67	143.82
Balance with statutory authorities	24.02	89.15
Deferred income on security deposit	3.63	-
Advance gratuity fund	6.87	5.16
Others	15.46	19.78
Total	157.65	257.91

Note 9: Trade receivables

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Trade receivables	3,904.23	2,972.70
Receivables from related parties (refer note 30)	-	3.85
Less: Allowance for doubtful debts	(6.08)	-
Total	3,898.15	2,976.55
Current portion	3,898.15	2,976.55
Non-current portion	-	-
Break-up of security details:		
Trade receivables		
-Unsecured, considered good	3,898.15	2,976.55
-Trade receivables which have significant increase in credit risk	-	-
-Trade receivables - credit impaired	6.08	-
	3,904.23	2,976.55
Impairment allowance (allowance for bad and doubtful debts)		
-Unsecured, considered good	-	-
-Trade receivables which have significant increase in credit risk	-	-
-Trade receivables - credit impaired	(6.08)	-
	(6.08)	-
Total Trade receivables	3,898.15	2,976.55

Ageing schedule as at 31 March 2022	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	2,912.57	-	-	-	-	2,912.57
Undisputed Trade Receivables - which have significant increase in credit risk	2.95	17.44	131.68	122.90	-	274.97
Undisputed Trade receivable - credit impaired	-	-	-	-	6.08	6.08
Disputed Trade Receivables - considered good	-	-	-	710.61	-	710.61

Ageing schedule as at 31 March 2021	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	1,899.09	79.11	135.53	3.91	-	2,117.64
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-
Disputed Trade Receivables - considered good	124.44	-	734.47	-	-	858.91
						-

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade Receivables includes Rs. 710.61 million (March 31, 2021 - Rs 734.47 million) billed on NTPC for the period from the readiness of the Transmission Lines to the date of actual Power Flow. As per the order issued by the CERC, tariff for this is period was to be paid by NTPC. NTPC has filed appeal with the Appellate Tribunal of Electricity against the order of the CERC. NTPC has also filed an stay application against the bill raised by the Company. APTEL has admitted the stay application and asked no coercieve action should be taken place till the hearing of the said application. The said Interim Application is listed for hearing on August 2,2022
Further, the company has provided amount payable to beneficiaries corresponding to the above recoverable amount and according to the prevailing practice the amount shall be paid as and when the same is realised from NTPC. Interest recoverable/payable on these amounts shall be accounted for on actuality in view of uncertainty involved.

Trade receivables are non-interest bearing and are generally on terms of 60 days.

See Note 37 on credit risk of trade receivables, which explains how the Company manages and measures credit quality of trade receivables that are neither past due nor impaired.

Note 10: Cash and cash equivalents

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Balance with banks		
- in current accounts ^	11,873.37	23,101.29
Deposit with original maturity of less than 3 months #	-	2,965.00
Total	11,873.37	26,066.29

Balances with banks on current accounts does not earn interest. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash-requirement of the Trust and earn interest at the respective deposit rates.

^ Out of total amount, Rs. 11.38 million (31 March 2021: Rs. 9.35 million) pertains to unclaimed distribution to unitholders.

Includes amount of Rs. Nil million (31 March 2021: 2,566.70 million) is kept in Interest Service Reserve Account ('ISRA') as per borrowing agreements with lenders.

Note 11: Other bank balances

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Current		
Bank deposits with original maturity of more than 12 months	2,413.43	25.43
Amount disclosed under head "other non current financial asset" (refer note 7)	(480.00)	(25.43)
	1,933.43	-
Deposit with original maturity for more than 3 months but less than 12 months #	1,234.44	959.01
Deposit with original maturity for more than 12 months#	-	812.80
Total	3,167.87	1,771.81

Details of lien marked deposits:

1. Rs. 2,322.58 million (31 March 2021: Rs. 653.16 million) is kept in interest service reserve account ('ISRA')/debt service reserve account ('DSRA') as per borrowing agreements with lenders.
2. Rs. 49.58 million (31 March 2021: Rs. 291.10 million) held as lien by bank against bank guarantees.
3. Rs. Nil (31 March 2021: Rs. 55.00 million) earmarked against self insurance reserve.
4. Rs. 0.05 million (31 March 2021: Rs. 0.05 million) pledged with Sales Tax Department.

Note 12: Unit Capital

A. Reconciliation of the units outstanding at the beginning and at the end of the reporting period

	Number of units (In million)	Amount (Rs. in million)
As at 01 April 2020	583.49	53,145.69
Units issued during the year (Refer note below)	-	-
Issue expenses (Refer note below)	-	-
Conversion of loan into equity shares^	-	-
As at 31 March 2021	583.49	53,145.69
Issued during the year (refer note below)	116.70	12,836.49
Issue expenses (refer note below)	-	(79.03)
Conversion of loan into equity shares^		
As at 31 March 2022	700.19	65,903.15

Note:
a) The Trust offered an issue of up to 116,695,404 units of India Grid Trust ("Indigrid" and such units, the "units"), for cash at a price of Rs. 110.00 per unit (the "issue price"), aggregating to Rs. 12,836.49 million to the eligible unitholders (as defined in the Letter of Offer) on a rights basis in the ratio of one lot for every five lots (each lot comprising 1,701 units) held by them on the record date, being 30 March 2021 (the "Issue") in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 including the rules, circulars and guidelines issued thereunder, including the SEBI Rights Issue Guidelines (the "InvIT Regulations"). The issue opened on 06 April 2021 and closed on 13 April 2021, which was extended to 16 April 2021. The Allotment Committee of the Board of Directors of IndiGrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) ('Investment Manager'), considered and approved allotment of 116,695,404 rights units to the eligible unitholders of IndiGrid on 22 April 2021.

b) Issue expenses of Rs. 79.03 million incurred in connection with issue of units have been reduced from the Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation.

a. Terms/rights attached to units
The Trust has only one class of units. Each unit represents an undivided beneficial interest in the Trust. Each holder of unit is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in every six months in each financial year in accordance with the InvIT Regulations. The Investment Manager approves distributions. The distribution will be in proportion to the number of units held by the unitholders. The Trust declares and pays distribution in Indian rupees.

A unitholder has no equitable or proprietary interest in the projects of IndiGrid and is not entitled to any share in the transfer of the projects (or any part thereof) or any interest in the projects (or any part thereof) of IndiGrid. A unitholder's right is limited to the right to require due administration of IndiGrid in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

B. Unitholders holding more than 5 percent Units in the Trust

	31 March 2022		31 March 2021	
	(Nos. in million)	% holding	(Nos. in million)	% holding
Esoteric II Pte. Limited	165.90	23.69%	136.04	23.31%
Government of Singapore	140.18	20.02%	116.82	20.02%
Larsen And Toubro Limited	38.07	5.44%	36.68	6.29%
Sterlite Power Transmission Limited *	-	0.00%	2.04	0.35%

* Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL') wef 15 November 2020.

d. The Trust has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of incorporation till the balance sheet date. Further the Trust has not issued any units for consideration other than cash from the date of incorporation till the balance sheet date.

Note 13: Other Equity

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Retained earnings/ (Accumulated deficit)		
Balance as per last financial statements	(6,389.90)	(2,659.44)
Add: Profit for the year attributable to unit holders	3,484.58	3,339.76
Less: Distribution paid to unitholders	(8,866.01)	(7,060.17)
Add: Transferred from self insurance reserve	50.44	-
Less: Transferred to self insurance reserve	-	(10.06)
Closing balance	(11,720.89)	(6,389.90)
Self Insurance Reserve		
Balance as per last financial statements	68.13	-
Add: Transferred from retained earnings	-	68.13
Less: Transferred to retained earnings	(50.42)	-
Less: Transferred to non controlling interest	(17.71)	
Closing balance	-	68.13

Note 14: Borrowings

	Effective rate of interest	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Non-current borrowings			
Debentures			
6.65% Category I & II Non convertible Debentures (refer note D below)	6.65%	0.01	-
6.75% Category III & IV Non convertible Debentures (refer note D below)	7.23%	100.79	-
7.45% Category I & II Non convertible Debentures (refer note D below)	7.76%	849.69	-
7.6% Category III & IV Non convertible Debentures (refer note D below)	7.91%	953.34	-
7.7% Category I & II Non convertible Debentures (refer note D below)	7.94%	991.64	-
7.9% Category III & IV Non convertible Debentures (refer note D below)	8.14%	403.95	-
7.49% Category I & II Non convertible Debentures (refer note D below)	7.49%	4.72	-
7.69% Category III & IV Non convertible Debentures (refer note D below)	7.93%	118.83	-
7.95% Category I & II Non convertible Debentures (refer note D below)	8.14%	124.80	-
8.2% Category III & IV Non convertible Debentures (refer note D below)	8.39%	5,913.14	-
7.72% Category I & II Non convertible Debentures (refer note D below)	7.72%	4.72	-
7.97% Category III & IV Non convertible Debentures (refer note D below)	8.15%	406.78	-
7.11% Non-convertible debentures (secured) (refer note A below)	7.11%	4,350.00	4,350.00
8.60% Non-convertible debentures (secured) (refer note A below)	8.60%	2,500.00	2,500.00
8.40% Non-convertible market linked debentures (secured) (refer note B below)	NA	-	1,702.19
9.00% Non-convertible market linked debentures (secured) (refer note B below)	NA	-	1,976.71
8.85% Non-convertible debentures (secured) (refer note A below)	9.53%	1,989.20	1,980.06
9.10% Non-convertible debentures (secured) (refer note A below)	9.51%	2,976.28	16,925.60
8.40% Non-convertible debentures (secured) (refer note A below)	8.30%	3,497.63	3,496.51
6.72% Non-convertible debentures (secured) (refer note A and (i) below)	6.81%	8,470.48	-
7.85% Non-convertible debentures (secured)	NA	-	6,560.00
6.52% Non-convertible debentures (secured) (refer note A and (i) below)	6.76%	1,488.66	
7.00% Non-convertible debentures (secured) (refer note A below)	7.05%	2,493.70	2,496.17
7.25% Non-convertible debentures (secured) (refer note A below)	7.38%	1,494.65	1,493.30
7.40% Non-convertible debentures (secured) (refer note A below)	7.61%	993.54	992.09
7.32% Non-convertible debentures (secured) (refer note ii below)	7.35%	3,991.06	-
8.50% Non-convertible debentures (secured) (refer note A below)	8.75%	3,982.52	3,974.08
7.25% Non-convertible debentures (secured) (refer note A and (i) below)	NA	-	26,498.93
		48,100.13	74,945.64
Term loans			
Indian rupee loan from banks (secured) (refer note D and (ii) below)	7.00%-8.85%	61,375.49	45,075.91
Indian rupee loan from financial institution (secured)	NA	-	13,991.34
Foreign currency loan from financial institution (secured)	7.02%	1,835.88	2,019.68
		63,211.37	61,086.93
Total non-current borrowings		1,11,311.50	1,36,032.57
Current borrowings			
Current maturities of long term borrowings			
7.85% Non-convertible debentures (secured)	7.85%	6,560.00	150.00
9.10% Non-convertible Debentures of Rs. 10,000.00 each	9.36%	13,993.83	-
8.10% Non-convertible debentures (secured) (refer note B below)	NA	-	998.83
Indian rupee loan from banks (secured) (refer note D and (ii) below)	7.00%-8.85%	1,232.50	8,252.28
Indian rupee loans from financial institution (secured)	NA	-	109.65
Foreign currency loan from financial institution (secured)	7.02%	250.62	218.74
Total current borrowings		22,036.95	9,729.50
The above amount includes :			
Secured borrowings		1,33,348.45	1,45,762.07
Unsecured borrowings		-	-
Total long term borrowings		1,33,348.45	1,45,762.07

(i) The above items represent new secured non-convertible debentures that have been issued by the Group during the year ended 31 March 2022.
(ii) During the year ended 31 March 2022 the Group has taken new Indian rupee loans from banks of Rs. 27,600 million (31 March 2021 - Rs 24,900 million).

(A) Secured Non-convertible debentures referred above to the extent of:
(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust /Holdcos to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust;
(iii) Pledge of the share capital of specified SPVs.

(B) Secured market linked non-convertible debentures referred above to the extent of:
(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust /Holdcos to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust;
(iii) Pledge of the share capital of specified SPVs.

During the year, the Trust has prepaid the market linked non-convertible debentures.

(C) Secured non-convertible debentures referred above to the extent of:
(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust
(iii) First pari-passu charge on the ISRA and DSRA accounts.
(iv) Pledge over 51% of the share capital of specified SPVs

The Trust is in the process of creating security charge on the above NCDs.
(D) Secured Listed non-convertible debentures referred above to the extent of:
(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust
(iii) First pari-passu charge on the ISRA and DSRA accounts.
(iv) Pledge over 51% of the share capital of specified SPVs
(E) Term loan from banks:
The Indian rupee term loan from bank carries interest at the rate of 7.40% to 8.25% payable monthly. Loan amount installments shall be repayable as per the payment schedule over 5 and 15 years from the date of disbursement. The term loan is secured by (i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs; (ii) First pari-passu charge on Escrow account of the Trust.

Bhopal Dhule Transmission Company Limited

Non- Convertible Debentures:
Bhopal Dhule Transmission Company Limited ('BDTCL') had issued 7,350 Non Convertible Debentures ('NCDs') of Rs 1,000,000/- each on private placement basis which carries an interest at the rate of 7.85%. The interest is payable quarterly at the end of each quarter. 11% of the total debentures are redeemable in structured instalments in accordance with the redemption schedule. The balance 89% shall be repayable as a bullet repayment on 4 April 2022. All the NCDs together with interest, additional interest, liquidated damages, premium on prepayment, cost and charges, expenses and all other monies and all other amounts stipulated and payable to the debenture holders are secured by:
(i) First and exclusive charge on all movable assets and immovable assets of issuers including but not limited to movable plant and machinery, spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, intangible, goodwill, uncalled capital, right of way/land, civil structures, tower and cables, office buildings. present and future if any for the project.
(ii) First charge by way of:
a)Assignment/hypothecation or creation of security interest present and future of all rights, titles, interest, benefits, claims and demands whatsoever of BDTCL in the project, documents including but not limited to transmission supply agreements, transmission licenses, package/construction contracts, O&M related agreements if any, land lease agreements, service contracts etc. duly acknowledged, consented by relevant counter parties to such project documents all as amended, varied or supplemented from time to time;
b) All rights, title, interest, benefits, claims and demands whatsoever of the company in the permits, approvals and clearances pertaining to the projects, in the letter of credit, guarantee, performance bond, corporate guarantee, bank guarantees provided by any party to the project document;
c) All insurances proceeds (debenture trustee to be the loss payee in the insurance policy).
(iii) A First charge on letter of credit, Escrow account, debt service reserve account and other reserve and any other bank account of the issuer wherever maintained, present and future.
(iv)First charge on all book debts, operating cash flow, receivables, commissions, revenues of whatsoever nature and wherever arising, of BDTCL, present and future.
(v) Pledge of 51% of the equity share capital of the BDTCL.

Term loans from bank and financial institutions:

Foreign currency loan from financial institution carries interest at the rate of 6m LIBOR + 2.10% to 3.80% spread. BDTCL has taken currency and interest rate swap to hedge 6m LIBOR to fixed rate. Amount of USD 15.62 million being 35% of the total loan amount shall be repayable as a bullet repayment in accordance with the repayment schedule such that average tenor of the facility shall be more than 8.51 years. Remaining amount of USD 17.78 million is being repaid in quarterly instalments till December 2026. The foreign currency loan is secured by first charge on all the immovable assets pertaining to the project, tangible movable assets, current assets, all the accounts and intangible assets both present and future. Loans are also secured by assignment by way of security of all the right, title, interest benefits, claims and demands whatsoever of BDTCL in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time; all rights, title, interest and benefits of BDTCL into and under all clearances pertaining to the project (including transmission licence) to the extent same are assignable; all rights, title, interest, benefits, claims and demands whatsoever of BDTCL in any letter of credit, guarantee including contract guarantees and liquidated damages, consent agreements, side letters and performance bond provided by any party to the project document; all rights, title, interest, benefits, claims and demands whatsoever of the borrower in, to and under all insurance contracts and insurance proceeds pertaining to the project. Loans are also secured by non disposable undertaking from India Grid Trust directly/indirectly to hold at least 51% of equity share capital till final settlement date. Upon occurrence of event of default the negative lien shall be converted in pledge of 51% of the equity share capital of BDTCL.

Odisha Generation Phase-II Transmission Limited

Term loan from banks:
Odisha Generation Phase-II Transmission Limited had taken Indian rupee term loan from bank. The interest rate was aligned with the bank's 3 year MCLR plus five basis points. 73% of the total amount is repayable in 46 structured quarterly instalments in accordance with amortisation schedule balance 27% is repayable as a bullet repayment as a last instalment. The Loan together with interest, fees, commission and other monies payable to the bank were secured by:

(i) A first charge on all the borrower's tangible moveable assets and all other movable assets and current and non-current assets, both present and future.
(ii) A first charge over all the accounts of the borrower and receivables
(iii) A first charge on all intangible assets of The Borrower including but not limited to goodwill, rights and undertakings and intellectual property rights and uncalled capital, book debts, current assets, operating cash flows, commissions, revenues of whatsoever nature, both present and future.
(iv) A first charge on all immovable assets of the Borrower, present and future.
(v) Pledge of equity shares representing at least 51% of the equity share capital (if Axis bank is sole lender, shares pledged shall be restricted to 30% and balance 21% shall be under a non-disposal undertaking).

During the year, entire loan has been prepaid.

Gurgaon-Palwal Transmission Limited

Term loan from banks:
Indian rupee term loan from bank and financial Institutions carried interest at the rate of 10.65% p.a to 12.25%. 60% of total loan amount was repayable in 46 structured quarterly instalments post one year moratorium period in accordance with amortisation schedule. Balance 40% of the total loan amount was repayable as a bullet repayment as a last instalment. The loan was secured by first charge on all the immovable assets pertaining to the project, tangible movable assets, current assets, all the accounts and intangible assets both present and future. Loans were also secured by assignment by way of security of all the right, title, interest benefits, claims and demands whatsoever of the Company in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time; all rights, title, interest and benefits of the Company in to and under all clearances pertaining to the project (including transmission license) to the extent same are assignable; all rights, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit, guarantee including contract guarantees and liquidated damages, consent agreements, side letters and performance bond provided by any party to the project document; all rights, title, interest, benefits, claims and demands whatsoever of the borrower in, to and under all insurance contracts and insurance proceeds pertaining to the project. Loans were also secured by non disposable undertaking from sponsor directly/ indirectly to hold at least 51% of equity share capital till final settlement date. Upon occurrence of event of default the negative lien shall be converted in pledge of 51% of the equity share capital of the Company.

During the year, entire loan has been prepaid.

Parbati Koldam Transmission Company Limited

Term loan from banks and financial institutions:
Term Loans from Banks and Financial Institutions (principal undiscounted amount) were secured by:
a) First pari-passu charge by way of mortgage of all immovable properties acquired for the project, both present and future,
b) First pari-passu charge by way of hypothecation of all movable assets, including moveable plant & machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other moveable assets, present and future,
c) First pari-passu charge on all the cash flows, receivables, book debts, revenues of whatsoever nature and wherever arising, present and future,
d) First pari-passu charge on all intangibles assets, present and future,
e) First pari-passu charge on guarantees, letter of credit, performance bond, indemnities etc.
f) Pledge of promoter's Equity (India Grid Trust) Interest representing at least 51% of the project Equity Capital,
g) First pari-passu charge on all Insurance Contracts and Insurance Proceeds.
j) The loan shall be repaid in 168 monthly instalment starting from October 30, 2016.

During the year, entire loan has been prepaid.

NER II Transmission Limited

Term loan from banks:
Indian rupee term loan from banks and from financial institutions carried interest at the rate of 10.50%- 12.65% p.a payable monthly (linked to the Lead Lenders Benchmark Rate with Spread). Total loan amount was repayable in 47 structured quarterly instalments post 6 months moratorium period in accordance with amortisation schedule (tenure of 15 year). The loan was secured by first charge on all the immovable assets pertaining to the project, tangible movable assets, current assets, all the accounts and intangible assets both present and future. Loans were also secured by assignment by way of security of all the right, title, interest benefits, claims and demands whatsoever of the Company in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time; all rights, title, interest and benefits of the Company in to and under all clearances pertaining to the project (including transmission license) to the extent same are assignable; all rights, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit, guarantee including contract guarantees and liquidated damages, consent agreements, side letters and performance bond provided by any party to the project document; all rights, title, interest, benefits, claims and demands whatsoever of the borrower in, to and under all insurance contracts and insurance proceeds pertaining to the project. Loans are also secured by non disposable undertaking from sponsor directly/ indirectly to hold at least 51% of equity share capital till final settlement date. Upon occurrence of event of default the negative lien shall be converted in pledge of 51% of the equity share capital of the Company.

The below table shows the maturity profile of outstanding NCD and MLD of the Trust and its SPV's the principal of which is repayable in full at the time of maturity :

Rate of Interest	Repayment	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2028-2029	2031-2032
14,000 9.10% Non-convertible debentures of Rs. 10,00,000 each	03 June 2022	14,000.00	-	-	-	-	-	-
2,000 8.85% Non-convertible debentures of Rs. 10,00,000 each	02 November 2022	2,000.00	-	-	-	-	-	-
4,000 8.50% Non-convertible debentures of Rs. 10,00,000 each	01 March 2024	-	4,000.00	-	-	-	-	-
2,500 7.00% Non-convertible debentures of Rs. 10,00,000 each	28 June 2024	-	-	2,500.00	-	-	-	-
3000 9.10% Non-convertible debentures of Rs. 10,00,000 each	29 July 2024	-	-	3,000.00	-	-	-	-
1,500 7.25% Non-convertible debentures of Rs. 10,00,000 each	27 June 2025	-	-	-	1,500.00	-	-	-
1,000 7.40% Non-convertible debentures of Rs. 10,00,000 each	26 December 2025	-	-	-	1,000.00	-	-	-
2,500 8.60% Non-convertible debentures of Rs. 10,00,000 each	31 August 2028	-	-	-	-	-	2,500.00	-
4,350 7.11% Non-convertible debentures of Rs. 10,00,000 each	14 February 2029	-	-	-	-	-	4,350.00	-
3,500 8.40% Non-convertible debentures of Rs. 10,00,000 each	14 June 2023	-	3,500.00	-	-	-	-	-
4,000 7.32% Non-convertible debentures of Rs. 10,00,000 each	30 June 2031	-	-	-	-	-	-	4,000.00
8,500 6.72% Non-convertible debentures of Rs. 10,00,000 each	14 September 2026	-	-	-	-	8,500.00	-	-
4,000 6.52% Non-convertible debentures of Rs. 10,00,000 each partly paid	07 April 2025	-	-	-	1,500.00	-	-	-
7,350 7.85% Non-convertible debentures of Rs. 10,00,000 each	04 April 2022	6,560.00	-	-	-	-	-	-

Public NCD

Rate of Interest	Repayment	2024-2025	2026-2027	2028-2029	2031-2032
6.65% Category I & II Non-convertible debentures	06 May 2024	0.01	-	-	-
6.75% Category III & IV Non-convertible debentures	06 May 2024	101.82	-	-	-
7.45% Category I & II Non-convertible debentures	06 May 2026	-	859.85	-	-
7.60% Category III & IV Non-convertible debentures	06 May 2026	-	964.74	-	-
7.70% Category I & II Non-convertible debentures	06 May 2028	-	-	1,004.25	-
7.90% Category III & IV Non-convertible debentures	06 May 2028	-	-	409.09	-
7.49% Category I & II Non-convertible debentures	06 May 2028	-	-	4.72	-
7.69% Category III & IV Non-convertible debentures	06 May 2028	-	-	120.34	-
7.95% Category I & II Non-convertible debentures	06 May 2031	-	-	-	126.46
8.20% Category III & IV Non-convertible debentures	06 May 2031	-	-	-	5,991.84
7.72% Category I & II Non-convertible debentures	06 May 2031	-	-	-	4.72
7.97% Category III & IV Non-convertible debentures	06 May 2031	-	-	-	412.18

Financial covenants
Loans from bank, financial institution contain certain debt covenants relating to limitation on interest service coverage ratio, debt service coverage ratio, Net Debt to AUM, Net Debt to EBITDA etc. The financial covenants are reviewed on availability of audited accounts of the respective borrower periodically. For the financial year ended 31 March 2022, the Group has satisfied all debt covenants prescribed in the terms of loan from bank and financial institutions, where applicable.
The Group has not defaulted on any loans payable.

Note 15: Leases

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Non-Current		
Lease liabilities (refer note 36)	26.58	32.12
	26.58	32.12
Current		
Lease liabilities (refer note 36)	15.04	13.75
	15.04	13.75

Note 16: Trade payables

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (refer note 35)	9.05	23.25
- total outstanding dues of creditors other than micro enterprises and small enterprises	477.24	202.08
	486.29	225.33
Trade payables		
- to related parties (refer note 30)	102.35	102.44
- to others	383.94	122.89
Total	486.29	225.33

Ageing schedule as at 31 March 2022	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	8.18	-	-	0.87	9.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	296.93	129.24	27.30	23.77	-	-	477.24

Ageing schedule as at 31 March 2021	Not due	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	4.20	-	-	-	19.05	23.25
Total outstanding dues of creditors other than micro enterprises and small enterprises	98.19	19.05	18.39	17.07	2.64	46.74	202.08

Trade payables are not-interest bearing and are normally settled on 30-90 days terms.
For explanation on the Company's risk management policies, refer note 29A.

Note 17: Other financial liabilities

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Non-Current		
Deferred revenue grant	270.11	-
Others	16.30	-
Total	286.41	-
Current		
Derivative instruments		
Foreign exchange forward contracts	6.19	197.86
Cross currency interest rate swap	7.04	-
	13.23	197.86
Other financial liabilities at amortised cost		
Interest accrued but not due on borrowings	1,109.17	826.83
Payables for purchase of property, plant and equipment	917.33	616.22
Distribution payable	11.38	9.58
Payable towards project acquired# (refer note 30)	1,559.21	1,780.17
Deferred revenue grant	13.12	-
Employee payable	30.25	24.92
Tariff payable to beneficiaries@	1,406.45	782.37
Others*	6.91	362.51
	5,053.82	4,402.60
Total	5,067.05	4,600.46

* Other payables are non-interest bearing and have an average term of six months and includes amounts pertaining to provision for expenses.
For explanation on the Company's risk management policies, refer note 29A.
@Tariff payables to beneficiaries includes the Rs. 624.08 million on account of tariff truing up petition filed with CERC for tariff period 2014-19 and 2019-24. It also incudes Rs. 782.36 million payable to beneficiaries due to CERC order on determination of COD on certain elements of project.

Includes Rs. 1,483.89 million (31 March 2021: Rs. 1,752.08 million) is towards acquisition of equity shares of NRSS XXIX Transmission Limited, Odisha Generation Phase-II Transmission Limited, East-North Interconnection Company Limited, Gurgaon-Palwal Transmission Limited , Jhajjar KT Transco Private Limited , Parbati Koldam Transmission Company Limited ,NER II Transmission Limited ,IndiGrid Solar-I (AP) Private Limited(formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) and IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) pursuant to respective share purchase agreements.

Note 18: Employee Benefit Obligations

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Non current		
Provision for gratuity (refer note 39)	4.07	1.93
Provision for leave benefit	4.36	2.01
Total	8.43	3.94
Current		
Provision for gratuity (refer note 39)	0.47	0.03
Provision for leave benefit	0.50	1.05
Long term incentive plan (refer note 41)	22.36	11.29
Total	23.33	12.37

Note 19: Other current liabilities

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Current		
Withholding taxes (TDS) payable	23.27	61.80
Advance from customers	166.62	166.62
Statutory dues payables	-	4.06
WCT payable	0.38	-
Professional tax payable	0.04	-
GST payable	22.45	-
Provident fund payable	1.62	-
Others	66.11	45.67
Total	280.49	278.15

Note 20: Deferred tax liability (net)

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Deferred tax liability		
Property, plant and equipment : Impact of difference between tax depreciation and depreciation/amortisation for financial reporting	14,995.31	11,800.80
Service concession recievable : Impact of difference between tax depreciation and effective rate of interest for financial reporting	600.76	631.72
Recoverable from beneficiaries	(649.63)	(656.57)
Gross deferred tax liability (A)	14,946.44	11,775.95
Deferred tax asset		
Financial assets	93.60	204.92
Other items	-	
Allowance for doubtful debts - trade receivables	-	
Tax Losses	13,803.40	10,443.77
Unabsorbed losses under income tax	-	197.05
Impact of effective interest rate on borrowings	-	8.82
Gross deferred tax asset (B)	13,897.00	10,854.56
Net deferred tax liability (A-B)	1,049.44	921.39

Reconciliation of deferred tax liability	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Opening deferred tax liability, net	921.39	602.06
Deferred tax liability (net of asset) acquired during the year	117.07	294.41
Deferred tax credit / (charge) recorded in statement of profit and loss	10.97	24.92
Deferred tax (credit) / charge recorded in OCI	-	-
Closing deferred tax liability, net	1,049.43	921.39

The major components of income tax expense for the years ended 31 March 2022 and 31 March 2021 are:	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
- Current tax	43.66	49.85
- Deferred tax	10.97	24.92
- Income tax for earlier years	5.34	1.51
Income tax expenses reported in the statement of profit and loss	59.97	76.28

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2022 and 31 March 2021:	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Accounting profit before income tax	3,492.72	3,420.37
At India's statutory income tax rate of 25.17% (31 March 2021: 25.17%)	879.12	860.84
Impact of exemption u/s 10(23FC) of the Income Tax Act, 1961 available to the Trust	(830.12)	(784.56)
Impact on deferred tax due to change in tax rates (refer note above)	10.97	24.92
At the effective income tax rate	59.97	76.28
Income tax expense reported in the statement of profit and loss	59.97	76.28

1. As at 31 March 2022, based on the expected future profitability of the SPVs, the management has recognised deferred tax assets on the unabsorbed tax depreciation carried forward only to the extent of deferred tax liability.

2. The Group has Rs. 13,923.31 million (31 March 2021: Rs. 7,131.07 million) of tax losses carried forward on which deferred tax asset has not been recognised. If the Group was able to recognise all unrecognised deferred tax assets, profit after tax would have increased and equity would have increased by Rs. 3,504.50 million (31 March 2021: Rs. 1,794.89 million).

Further, for the calculation of deferred tax assets/liabilities, the Group has not considered tax holiday available under the Income Tax Act for some of the project SPVs for the computation of deferred tax assets/liabilities. The management based on estimated cash flow workings for these project, believes that since there will be losses in the initial years of these project, no benefit under the Income tax Act would accrue to these projects in respect of the tax holiday. Management will re-assess this position at each balance sheet date.

Note 21: Revenue from contracts with customers

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Disaggregated revenue information		
Type of service		
Power transmission services	21,614.28	16,769.19
Revenue from sale of electricitiy (solar)	607.55	-
Total	22,221.83	16,769.19

(A) Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCs. The TSAs are executed for a period of 35 / 25 years and have fixed tariff charges as approved by CERC (except some escalable portion and some incentives/penalties relating to transmission assets availabilities). Under the TSAs, the Group's performance obligation is to provide power transmission services. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs failing which could result in certain disincentives/penalties. The performance obligation is satisfied over-time as the customers receive and consume the benefits provided by the Group's performance as the Group performs. The payment is generally due within 60 days upon receipt of monthly invoice by the customer. The Group receives payments as per the pooling arrangements specified under the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 ('Pooling Regulations'). In the Point of Connection (PoC) mechanism, the transmission charges to be recovered from the entire system are allocated between users based on their location in the grid. Under the PoC mechanism, all the charges collected by the Central Transmission Utility (i.e. Power Grid Corporation of India Limited) from LTTCs are disbursed pro-rata to all Transmission Service Providers from the pool in proportion of the respective billed amount.

(B) Revenue from sale of solar power generated is recognised on accrual basis (net of deviations as per the Deviation Settlement Mechanism) on the basis of the billings as per the long term Power Purchase Agreement with Solar Energy Corporation of India (SECI) and includes unbilled revenues accrued upto the end of the accounting period.

Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures since the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date.

Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Revenue as per contracted price	21,665.43	16,093.42
Adjustments:		
Incentives earned for higher asset availabilities	508.56	457.41
Surcharges received for late payments	159.02	271.68
Rebates given for early payments	(111.18)	(53.32)
Total revenue from contracts with customers	22,221.83	16,769.19

Project wise break up of revenue from contracts with Customers	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Bhopal Dhule Transmission Company Limited	2,717.86	3,081.25
Jabalpur Transmission Company Limited	1,546.12	1,540.60
Maheshwaram Transmission Limited	580.72	587.22
RAPP Transmission Company Limited	457.18	460.32
Purulia & Kharagpur Transmission Company Limited	773.37	758.88
Patran Transmission Company Limited	318.60	320.71
NRSS XXIX Transmission Limited	5,021.84	5,233.88
Odisha Generation Phase-II Transmission Limited	1,648.67	1,736.29
East North Interconnection Company Limited	1,494.32	1,472.73
Gurgaon-Palwal Transmission Limited#	1,494.28	908.86
Jhajjar KT Transco Private Limited#	292.47	191.40
Parbati Koldam Transmission Company Limited#	1,088.26	376.30
NER II Transmission Limited#	4,157.23	100.75
Kallam Transmission Limited*	-	-
IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) *	305.54	-
IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) *	325.37	-
Total revenue from contracts with customers	22,221.83	16,769.19

* In the current year, the Trust has acquired IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) and IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) with effect from 13 July 2021 and Kallam Transmission Limited with effect from 28 December 2021. Amounts stated above pertain to post acquisition revenue.

In the previous year, the Trust acquired Gurgaon-Palwal Transmission Limited with effect from 28 August 2020, Jhajjar KT Transco Private Limited with effect from 28 September 2020, Parbati Koldam Transmission Company Limited with effect from 08 January 2021 and NER II Transmission Limited with effect from 25 March 2021. Amounts stated above pertain to post acquisition revenue.

a. The Appellate Tribunal for Electricity ('ATE') vide its order dated 20 October 2020 provided its approval for claiming additional cost incurred by Bhopal Dhule Transmission Company Limited ('BDTCL') due to delay in actual commercial operation dates ('COD') as a change in law event. As per the terms of the Transmission Service Agreement (TSA), for an increase in the cost of the project, BDTCL is entitled to claim additional tariff from the COD. The additional cost has resulted in an increase in non-escalable tariff by approximately 2.99% from the date of COD. Accordingly, BDTCL has revised its monthly billing to the Power Grid Corporation of India Limited (PGCIL) (CTU) effective from October 2020 by 2.99% for additional tariff and the same is accounted as revenue from operations in the statement of profit and loss for the quarter ended 31 December 2020 and year ended 31 March 2021. Additional arrear revenue from the actual COD till 30 September 2020 amounting to Rs. 428.35 million was been received by BDTCL during the last quarter of the year and has been recognized as revenue from operations for the quarter / year.
BDTCL has also entered into a Project Implementation and Management Agreement between Axis Trustee Services Limited (as the Trustee of India Grid Trust), IndiGrid Investment Mangers Limited (as the Investment Manager of India Grid Trust) and Sterlite Power Grid Ventures Limited* as the Project Manager, as per which payment of 70% of the Net Present Value of additional tariff received by BDTCL has to be paid to SPGVL* by the Group.
* Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL').

b. Jhajjar KT Transco Private Limited has entered into a transmission agreement with Haryana Vidyut Prasaran Nigam Limited (HVPNL) for obtaining exclusive right to construct, operate and maintain the transmission lines on design, build, finance, operate and transfer (DBFOT) basis for a specified period (concession period) commencing from the date of grant of the Transmission License and receive monthly determinable annuity payments. The agreement provides an option for extension of the concession period. Upon completion of concession period or on termination of agreement, transmission lines will vest with the grantor free and clear of all encumbrances. In terms of para 16 of Appendix D to IndAS 115, cost of construction of transmission lines has been recognized as a part of financial assets under the head service concession receivable. Annuity payments received under the agreement have been accounted as revenue from contracts with customers.

c. Parbati Koldam Transmission Company Limited during the period has proportionately recognized the Transmission Service Charges (TSC) for the period starting from 01 April 2020 till 31 March 2021 which is based on the final tariff order approved by the CERC and applicable as on 31 March 2019, since the tariff petition for the tariff period 2019 -2024 is yet to be filed by PrKTCL. Difference in the revenue recognised and the tariff approved for tariff period 2019-24 shall be recognised once the tariff petition is filed by PrKTCL and the same is approved by the CERC for the tariff period 2020-2024.

d. Initial License fees is recognised based on monthly license fees agreed between NER II Transmission Limited and licensee's for use of infrastructure assets.

Note 22: Other income

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Sale of scrap	28.86	-
Profit on sale of property, plant and equipment	0.19	-
Reimbursements received	43.55	82.88
Deferred income on VGF	13.12	-
Miscellaneous income	74.89	10.15
Total	162.01	93.03

Note 23: Employee Benefit Expenses

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Salaries, wages and bonus	238.13	113.30
Contribution to provident fund and superannuation fund	8.75	6.72
Employees long term incentive programme (refer note 33)	17.90	11.29
Gratuity expense (refer note 33)	2.71	2.69
Staff welfare expenses	20.86	6.78
Total	288.35	140.78

Note 24: Other expenses

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Project management fees (refer note 24)*	29.77	63.79
Investment management fees (refer note 24)#	434.12	330.71
Power and fuel	41.20	21.27
Rent	6.95	4.58
Rates and taxes	96.50	62.74
Insurance expenses	252.43	243.64
Vehicle hire charges	36.87	18.60
Loss on sale of assets	0.16	40.42
Director Sitting Fee	5.93	2.22
Security charges	46.05	22.16
Interest on TDS	-	3.15
Earn out expenses *	(0.35)	796.80
Bay Charges	53.18	-
Advertisement expenses	4.90	-
Foreign exchange fluctuation	-	-
Right of way charges	35.81	-
Corporate social responsibility	28.29	29.76
Miscellaneous expenses	91.31	80.42
Total	1,163.12	1,720.26

@ Earn out expense of INR Nil million for year ended 31 March 2022 (31 March 2021: INR 796.80 million) paid to Sterlite Power Grid Ventures (now merged with Sterlite Power Transmission Limited) on account of amounts received by the Trust due to change in law orders received by its subsidiary entities. Such amounts are passed on to the selling shareholder as per the terms of the respective agreements with them.

* Pursuant to the Project Implementation and Management Agreement dated 10 November 2016 as amended, Project Manager is entitled to fees @ 10% of gross expenditure incurred by each SPV in relation to operation and maintenance costs, per annum. Consolidated Statement of Profit and Loss for the year ended 31 March 2022 includes amount of Rs. 29.77 million (31 March 2021: Rs 63.79 million) towards Project Manager fees. There are no changes during the year in the methodology for computation of fees paid to Project Manager.

Pursuant to the Investment Management Agreement dated 10 November 2016 as amended, Investment Manager is entitled to fees @ 1.75% of difference between revenue from operations and operating expenses (other than fees of the Investment Manager) of each SPV, per annum. For this purpose, operating expenses would not include depreciation, finance costs and income tax expense. Consolidated statement of Profit and Loss for the year ended 31 March 2022 includes amount of Rs. 434.12 million (31 March 2021: Rs. 330.71 million) towards Investment Manager Fees. There are no changes during the year in the methodology for computation of fees paid to Investment Manager.

** The Group management is evaluating the best possible alternative for CSR activities related to its subsidiaries hence the amount has not been spent till 31 March 2022. In accordance with provisions of Section 135, unspent amount of Rs. 0.90 million (31 March 2021 : Rs. 29.76 million)has been transferred to separate bank accounts by the respective subsidiaries.

Note 25: Finance Cost

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Interest on financial liabilities measured at amortised cost	10,491.62	6,842.60
Other bank and finance charges	5.85	-
Discounting on Factoring	4.01	22.35
Total	10,501.48	6,864.95

Note 26: Depreciation expense

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Depreciation of tangible assets	6,626.31	4,304.85
Amortisation of intangible assets	28.55	-
Total	6,654.86	4,304.85

Note 27: Earnings per unit (EPU)

Basic EPU amounts are calculated by dividing the profit for the year attributable to unit holders by the weighted average number of units outstanding during the year.

Diluted EPU amounts are calculated by dividing the profit for the year attributable to unit holders by the weighted average number of units outstanding during the year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

The following reflects in the profit and unit data used in the basic and diluted EPU computation	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Profit after tax for calculating basic and diluted EPU (Rs. in million)	3,484.12	3,337.09
Weighted average number of units in calculating basic and diluted EPU (No. in million)	693.14	583.49
Earnings Per Unit: Basic and Diluted (Rupees/unit)	5.03	5.72

Note 28: Significant accounting judgements, estimates and assumptions

The preparation of the Trust's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements
In the process of applying the Trust's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

i. Applicability of Appendix D - Service Concession Arrangements of Ind AS 115 Revenue from contracts with customers

The Group through its subsidiaries acts as a transmission licensee under the Electricity Act, 2003 holding valid licenses for 25 years. The subsidiaries have entered into Transmission Services Agreements ("TSA") with Long Term Transmission Customers ("LTTC") through a tariff based bidding process to Build, Own, Operate and Maintain ("BOOM") the transmission infrastructure for a period of 25-35 years. The management of the Company is of the view that the grantor as defined under Appendix D of Ind AS 115 ("Appendix D") requires transmission licensee to obtain various approvals under the regulatory framework to conduct its operations both during the period of the license as well as at the end of the license period. However, in the view of management, the grantor's involvement and approvals are to protect public interest and are not intended to control, through ownership, beneficial entitlement or otherwise, any significant residual interest in the transmission infrastructure at the end of the term of the arrangement. Accordingly, management is of the view that Appendix D to Ind AS 115 is not applicable to the Group for all transmission infrastructure operating on a BOOM basis. The Group also holds transmission infrastructure pertaining to Jhajjar KT Transco Private Limited which operates on a Build Operate and Transfer ("BOT") basis. The company has operating and maintaining the power transmission system including sub-station constructed to provide services for a specified period of time in accordance with the transmission agreement entered into with the grantor. Under Appendix D to Ind AS 115, this arrangement is considered as Service Concession Arrangement and in accordance with para 16 of the Appendix D to Ind AS 115, rights to receive the consideration from the grantor for providing services has been recognised as "financial assets". Accordingly the Group is of the view that Appendix D - Service Concession Arrangements of Ind AS 115 Revenue from contracts with customers is applicable to this infrastructure asset.

ii. Classification of Unitholders' funds
Under the provisions of the InvIT Regulations, IndiGrid is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of IndiGrid for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016) issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20-Oct-2016 dealing with the minimum disclosures for key financial statements. In line with the above, the dividend payable to unit holders is recognised as liability when the same is approved by the Investment Manager.

iii. Acquisition of Transmission SPVs classified as asset acquisitions
The Group acquires operational transmission SPVs/ Solar SPVs from the Sponsor or from third party. The purchase consideration primarily pertains to the fair value of the transmission assets and solar assets. All such assets are operational assets with fixed tariff revenues under the Transmission Services Agreements (TSAs) / Power Purchase Agreements (PPAs) for 35/25 years. The only key activity for these SPVs is the maintenance of the transmission assets which is outsourced to third parties. There are no employees in these entities and no other significant processes are performed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-a-vis the guidance on definition of business under Ind AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management has classified the acquisition of transmission SPVs and solar SPVs as asset acquisition.

iv. Consolidation of IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) ('ISPL1') and IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) ('ISPL2') as a subsidiary

The Group also acquired 100% of paid up equity capital of IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) ('ISPL1') and IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) ('ISPL2') with effect from 13 July 2021 from FRV Solar Holdings XI B.V. and Fotowatio Renewable Ventures S.L together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 18 December 2020 ("SPA"). Considering the rights available to the Group as per SPA, the Group has concluded that it controls ISPL1 and ISPL2. Accordingly, the Group has consolidated ISPL1 and ISPL2 as wholly owned subsidiaries from 13 July 2021.

v. Consolidation of Gurgaon-Palwal Transmission Limited ('GPTL') as a subsidiary
The Group entered into share purchase agreement dated 28 August 2020 ("the Agreement") with Sterlite Power Grid Ventures Limited ('SPGVL') (merged with "Sterlite Power Transmission Limited" (SPTL)) and Sterlite Grid 4 Limited ('SGL4') ("the Selling shareholders") for acquisition of equity stake in Gurgaon-Palwal Transmission Limited ("GPTL"). Pursuant to the agreement, the Group has finalized purchase consideration for entire equity stake of the selling shareholders and has paid purchase consideration for acquisition of 49% paid up equity capital in the GPTL.
Based on the contractual terms of the agreement, the Group has following rights:

•Right to nominate all directors on the board of directors of the GPTL;
•Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of GPTL;
•Non-disposal undertaking from the selling shareholders for the remaining 51% equity stake in GPTL;

Considering the requirements under Ind AS 110, the Group has assessed whether it controls GPTL on the basis the above rights under the agreement and the fact that the Group has entered into irrevocable binding agreement with the selling shareholders to acquire remaining 51% paid up equity capital in GPTL. Based on the assessment, management has concluded that the Group controls GPTL in spite of the fact that it has acquired only 49% of the paid up capital of GPTL. Further, based on the legal opinion GPTL is considered as Special Purpose Vehicle as per requirements of Securities Exchange Board of India's Invite Regulations.

Accordingly, the Group has consolidated GPTL assuming 100% equity ownership and no non-controlling interest (NCI) has been recognised in the consolidated Ind AS financial statements. Remaining purchase consideration payable to the selling shareholders is recognized as financial liability in the consolidated Ind AS financial statements.

vi. Consolidation of Parbati Koldam Transmission Company Limited ('PrKTCL') as a subsidiary
The Group acquired 74% of paid up equity capital of Parbati Koldam Transmission Company Limited ('PrKTCL') with effect from 08 January 2021 from Reliance Infrastructure Limited (referred as "the Selling Shareholder") pursuant to Share Purchase Agreement dated 28 November 2020 ("SPA"). The balance 26% share in PrKTCL is held by PowerGrid Corporation of India Limited ("PGCIL"). Pursuant to the agreement, the Group has finalized purchase consideration for entire equity stake of the selling

shareholders and has paid purchase consideration for acquisition of 74% paid up equity capital in the PrKTL.
Based on the contractual terms of the agreement, the Group has following rights:

•Right to nominate all directors on the board of directors of the PrKTCL;
•Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of PrKTCL;

Considering the requirements under Ind AS 110, the Group has assessed whether it controls PrKTCL on the basis the above rights under the agreement and the fact that the Group has acquired 74%. Based on the assessment, management has concluded that the Group controls PrKTCL in spite of the fact that it has acquired only 74% of the paid up capital of PrKTCL. Further, based on the legal opinion PrKTCL is considered as Special Purpose Vehicle as per requirements of Securities Exchange Board of India's Invite Regulations.

Accordingly, the Group has consolidated PrKTCL assuming equity ownership and non-controlling interest (NCI) of 26% has been recognised in the consolidated Ind AS financial statements. Remaining purchase consideration payable to the selling shareholders is recognized as financial liability in the consolidated Ind AS financial statements.

vii. Consolidation of NER II Transmission Limited ('NER') as a subsidiary
The Group acquired 49% of paid up equity capital of NER II Transmission Limited ("NER") with effect from 25 March 2021 from Sterlite Power Transmission Limited (SPTL)) and Sterlite Grid 4 Limited ('SGL4'), (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 05 March 2021 ("SPA"). The Group has finalised purchase consideration for acquisition of entire stake in NER and has entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in NER from the Selling Shareholders. The Group has beneficial interest based on the rights available to it under the SPA. As of 31 March 2021, the Group has paid additional consideration equivalent to 25% of the total consideration which would be adjusted towards payable for acquisition of 25% of equity stake.
Based on the contractual terms of the agreement, the Group has following rights:

•Right to nominate all directors on the board of directors of the NER;
•Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of NER;
•Non-disposal undertaking from the selling shareholders for the remaining 51% equity stake in NER;

Considering the requirements under Ind AS 110, the Group has assessed whether it controls NER on the basis the above rights under the agreement and the fact that the Group has acquired 49% making a payment for 74% stake. Based on the assessment, management has concluded that the Group controls NER in spite of the fact that it has acquired only 49% of the paid up capital of NER. Further, based on the legal opinion NER is considered as Special Purpose Vehicle as per requirements of Securities Exchange Board of India's Invite Regulations.

Accordingly, the Group has consolidated NER assuming equity ownership and non-controlling interest (NCI) of 26% has been recognised in the consolidated Ind AS financial statements. Remaining purchase consideration payable to the selling shareholders is recognized as financial liability in the consolidated Ind AS financial statements.

Estimates and assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities or fair value disclosures within the next financial year, are described below. The Trust based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Trust. Such changes are reflected in the assumptions when they occur.

(a) Fair valuation and disclosures
SEBI Circulars issued under the InvIT Regulations require disclosures relating to net assets at fair value and total returns at fair value (refer note 23A and 23B). In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuers to perform the valuation. The management works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the valuation report and findings to the Board of the Investment Manager quarterly to explain the cause of fluctuations in the fair value of the transmission projects. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc. Changes in assumptions about these factors could affect the fair value.

(b) Impairment of non-financial assets
Non-financial assets of the Trust primarily comprise of investments in subsidiaries.

The provision for impairment/(reversal) of impairment of property, plant & equipment and service concession receivable is made based on the difference between the carrying amounts and the recoverable amounts. The recoverable amount of the property, plant & equipment and service concession recievable has been computed by external independent valuation experts based on value in use calculation for the underlying projects (based on discounted cash flow model). On a periodic basis, according to the recoverable amounts of individual portfolio assets computed by the valuation experts, the Trust tests impairment on the amounts invested in the respective subsidiary companies. The valuation exercise so carried out considers various factors including cash flow projections, changes in interest rates, discount rates, risk premium for market conditions including the impact of COVID-19, etc. Based on the valuation exercise so carried out, there is a net impairment reversal of Rs. 54.97 million for the year ended 31 March 2022 (31 March 2021 : net impairment of Rs. 175.11 million), which is primarily on account of maturity of SPV assets. The key assumptions used to determine the recoverable amount for the underlying projects are disclosed and further explained in Note 29A.

The key assumptions used to determine the recoverable amount for the underlying projects are disclosed and further explained in Note 29A.

Note 29A: Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(Rs. in million)

Particulars	Carrying value 31 March 2022 (Rs. in million)	Carrying value 31 March 2021 (Rs. in million)	Fair value 31 March 2022 (Rs. in million)	Fair value 31 March 2021 (Rs. in million)
Financial assets				
Investments in mutual funds	1,451.73	-	1,451.73	-
Total	1,451.73	-	1,451.73	-
Financial liabilities				
Derivative instruments	13.23	197.86	13.23	197.86
Total	13.23	197.86	13.23	197.86

The management has assessed that the financial assets and financial liabilities as at year end are reasonable approximations of their fair values.

The Trust is required to present the statement of total assets at fair value and statement of total returns at fair value as per SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 as a part of these financial statements- Refer Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.

The inputs to the valuation models for computation of fair value of assets for the above mentioned statements are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc.

The significant unobservable inputs used in the fair value measurement required for disclosures categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2022 and 31 March 2021 are as shown below:

Description of significant unobservable inputs to valuation:

(Rs in million)

Significant unobservable inputs	Input for 31 March 2022	Input for 31 March 2021	Sensitivity of input to the fair value	Increase /(decrease) in fair value 31 March 2022	Increase /(decrease) in fair value 31 March 2021
WACC	7.55% to 9.12%	7.57% to 8.23%	+ 0.5%	(10,168.42)	(11,336.00)
			- 0.5%	11,434.87	9,083.00
Tax rate (normal tax and MAT)	Normal Tax - 25.168%	Normal Tax - 25.168%	+ 2%	(520.00)	(410.22)
			- 2%	471.00	374.92
Inflation rate	Revenue(Esclable):5.00%	Revenue(Esclable): 5.00%	+ 1%	(3,173.14)	(1,850.04)
	Expenses: 2.46% to 4.84%	Expenses: 2.63% to 4.97%	- 1%	2,604.90	1,495.56

Note 29B: Fair value hierarchy

The management has assessed that the financial assets and financial liabilities as at year end other than above are reasonable approximations of their fair values.

The Group enters into derivative financial instruments with financial institutions with investment grade credit ratings. Foreign exchange forward contracts, interest rate swaps are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. The models incorporate various inputs including the credit quality counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spread between the respective currencies, interest rate curves etc. The changes in counterparty credit risk had no material effect on financial instruments recognised at fair value through profit and loss.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2022 and 31 March 2021: (Rs. in million)

	Date of valuation	Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets for which fair values are disclosed:				
Property, plant and equipment and service concession receivable *	31 March 2022	-	-	2,08,073.78
	31 March 2021	-	-	2,03,683.16
Liabilities measured at fair value through profit and loss				
Derivative instruments (Liability)	31 March 2022	-	13.23	-
	31 March 2021	-	197.86	-

There have been no transfers among Level 1, Level 2 and Level 3.
* Statement of net asset at fair value and statement of total returns at fair value require disclosures regarding fair value of assets (liabilities at considered at book values). Since the fair values of assets other than property, plant and equipment approximate their book values, hence only property, plant and equipment and service concession has been disclosed above.

Note 30: Related party disclosures

I. List of related parties as per the requirements of Ind AS 24 - Related Party Disclosures

(a) Other related parties under Ind AS-24 with whom transactions have taken place during the year
Entities with significant influence over the Trust
Esoteric II Pte. Ltd (from 04 May 2019) - Sponsor w.e.f. 28 September 2020
Sterlite Power Grid Ventures Limited (SPGVL)^ - Sponsor and Project manager of IndiGrid - upto 15 November 2020
Sterlite Power Transmission Limited (SPTL) - Sponsor of IndiGrid - w.e.f. 15 November 2020
Sterlite Grid 4 Limited (SGL4) - Subsidiary of Sponsor (SPTL)
Indigrid Investment Managers Limited (IIML) - Investment manager of IndiGrid (formerly known as Sterlite investment manager limited)

II. List of related parties as per Regulation 2(1)(zv) of the InvIT Regulations

(a) Parties to IndiGrid
Esoteric II Pte. Ltd (EPL) - Sponsor (w.e.f. 28 September 2020)
Sterlite Power Grid Ventures Limited (SPGVL)^ - Sponsor and Project manager of IndiGrid (upto 15 November 2020)
Sterlite Power Transmission Limited (SPTL) - Sponsor of IndiGrid (w.e.f. 15 November 2020)
Sterlite Power Transmission Limited (SPTL) - Project manager of IndiGrid (upto 30 June 2021 for all SPV other than NER)
Indigrid Limited (IGL) - Project manager of IndiGrid (for all SPVs)
Indigrid Investment Managers Limited (IIML) - Investment manager of IndiGrid (formerly known as Sterlite investment manager limited)
Axis Trustee Services Limited (ATSL) - Trustee of IndiGrid

(b) Promoters of the parties to IndiGrid specified in (a) above
Twin Star Overseas Limited - Promoter of SPTL
Sterlite Power Transmission Limited - Promoter of IIML*
Electron IM Pte. Ltd. - Promoter of IIML *
Axis Bank Limited - Promoter of ATSL
KKR Ingrid Co-Invest L.P.-Cayman Island - Promoter of EPL

(c) Directors of the parties to IndiGrid specified in (a) above
Directors of SPTL:
Pravin Agarwal
Pratik Agarwal
A. R. Narayanaswamy
Zhao Haixia
Anoop Seth
Manish Agarwal (from 17 December 2021)
Avaantika Kakkar (till 02 February 2021)
Arun Todarwal Lalchand (till 24 July 2021)

Directors of IIML:
Harsh Shah (whole time director)
Tarun Kataria
Rahul Asthana
Ashok Sethi (from 20 October 2020)
Hardik Shah (from 30 November 2021)
Jayashree Vaidhyanthan (from 30 November 2021)
Ami Momaya (from 27 January 2022)
Late Shashikant Bhojani (till 22 July 2020)
Pratik Agarwal (till 14 January 2022)
Sanjay Omprakash Nayar (till 27 January 2022)

Key Managerial Personnel of IIML:
Harsh Shah (CEO and whole time director)
Jyoti Kumar Agarwal (Chief Financial Officer wef 16 September 2020)
Swapnil Patil (Company Secretary)

Directors of ATSL:
Rajesh Kumar Dahiya
Ganesh Sankaran
Deepa Rath (from 01 May 2021)
Sanjay Sinha (till 30 April 2021)

Directors of Esoteric II Pte. Ltd.:
Tang Jin Rong (from 19 February 2021)
Ngan Nim Ying (from 05 April 2021)
Madhura Narawane (from 26 January 2022)
Wong Wai Kin (till 19 February 2021)
Terence Lee Chi Hur (till 19 February 2021)
Ooi Yi Jun (till 19 February 2021)
Velasco Azonos Cecilio Francisco (till 26 January 2022)

Relative of directors mentioned above:
Sonakshi Agarwal
Jyoti Agarwal
Sujata Asthana
Mala Todarwal (till 24 July 2021)

Firm in which director of sponsor is partner:
Cyril Amarchand Mangaldas (till 02 February 2021)

*During the previous year, Electron IM Pte. Ltd. purchased 40% stake in Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) (IIML) from Sterlite Power Transmission Limited.

On 02 July 2021, Sterlite Power Transmission Limited has further transferred a stake of 14% to Electron IM Pte. Ltd. post which Electron IM Pte. Ltd. holds 74% of stake in IIML. Further, on 14 January 2022, Sterlite Power Transmission Limited has further transferred remaining stake of 26% to Electron IM Pte. Ltd. post which Electron IM Pte. Ltd. holds 100% stake in IIML.

^ Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL') wef 15 November 2020.
^^ Sterlite Grid 4 Limited ('SGL4') has been merged with Sterlite Power Transmission Limited ('SPTL') wef 17 February 2022.

(B) The transactions with related parties during the year are as follows:-

(Rs. in millions)

Particulars	Relation	2021-22	2020-21
1. Deposits given Sterlite Power Transmission Limited	Sponsor and Project Manager / Entity with significant influence	36.00	-
2. Adjustment in consideration for equity shares of PKTCL on account of events mentioned in SPA Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager / Entity with significant influence	50.00	-
3. Purchase of equity shares of Indigrid 1 Limited Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager / Entity with significant influence	-	37.13
4. Adjustment in consideration for equity shares of ENICL on account of events mentioned in SPA Sterlite Power Transmission Limited	Sponsor and Project Manager / Entity with significant influence	(0.58)	-
5. Consideration for equity shares of Indigrid 2 Limited on account of events mentioned in SPA Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager / Entity with significant influence	18.53	-
6. Adjustment in consideration for equity shares of ENICL on account of events mentioned in SPA Sterlite Power Grid Ventures Limited* Sterlite Power Transmission Limited	Sponsor and Project Manager / Entity with significant influence	(4.46)	-
7. Purchase of equity shares of ENICL Sterlite Power Grid Ventures Limited* Sterlite Power Transmission Limited	Sponsor and Project Manager / Entity with significant influence	-	6.17
8. Adjustment in consideration for equity shares of ENICL on account of events mentioned in SPA Sterlite Grid 4 Limited	Entity with significant influence	(0.57)	-
9. Purchase of equity shares of GPTL Sterlite Grid 4 Limited	Entity with significant influence	-	906.36
10. Purchase of loan to GPTL Sterlite Grid 4 Limited	Entity with significant influence	-	2,252.28
11. Purchase of equity shares of NER Sterlite Grid 4 Limited	Entity with significant influence	5,179.33	14,090.65
12. Consideration for equity shares of NER on account of events mentioned in SPA Sterlite Grid 4 Limited	Entity with significant influence	10.85	-
13. Received towards indemnification of liabilities Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager / Entity with significant influence	-	15.36
14. Earn Out Expenses Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager / Entity with significant influence	-	796.62

Particulars	Relation	2021-22	2020-21
15. Rights Issue of unit capital			
Sterlite Power Transmission Limited #	Sponsor of IndiGrid	44.72	-
Esoteric II Pte. Ltd	Sponsor/Entity with significant influence over the Trust	3,285.28	-
16. Distribution to unit holders			
Sterlite Power Grid Ventures Limited*/Sterlite Power Transmission Limited#	Sponsor of IndiGrid	14.09	537.73
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)	Investment manager of IndiGrid	6.55	2.08
Esoteric II Pte. Ltd	Sponsor/Entity with significant influence over the Trust	2,100.73	1,646.03
Pratik Agarwal	Director of Sponsor (SPTL) and Investment Manager	1.05	2.39
Harsh Shah	Whole time director of Investment Manager	0.18	0.12
Swapnil Patil	Company Secretary of Investment Manager	0.06	0.03
Sonakshi Agarwal	Relative of director	0.24	0.19
Jyoti Agarwal	Relative of director	0.30	0.25
Sujata Asthana	Relative of director	1.55	1.01
Arun Todarwal	Director of Sponsor (SPTL)	0.05	0.08
A. R. Narayanaswamy	Director of Sponsor (SPTL)	0.25	0.19
Mala Todarwal	Relative of director	0.05	0.06
17. Trustee fee			
Axis Trustee Services Limited (ATSL)	Trustee	3.32	3.01
18. Legal and professional services taken			
Cyril Amarchand Mangaldas	Firm in which director of sponsor (SPGVL) is partner	-	10.88
19. Purchase of project stores			
Sterlite Power Transmission Limited	Promoter of project manager	-	0.25
20. Project management fees			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	-	
Sterlite Power Transmission Limited		1.06	0.27
21. Investment management fees			
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)	Investment Manager	434.12	330.71

(C) The outstanding balances of related parties are as follows:- (Rs in Million)

Particulars	Relationship	31 March 2022	31 March 2021
Project Manager fees payable			
Sterlite Power Grid Ventures Limited*/Sterlite Power Transmission Limited	Sponsor and Project Manager	1.22	10.08
Investment Manager fees payable			
Investment management fees payable (formerly Sterlite Investment Managers Limited)	Investment Manager	96.75	92.19
Payable towards project acquired			
Sterlite Power Grid Ventures Limited*/Sterlite Power Transmission Limited/Sterlite Grid 4 Limited	Sponsor and Project Manager/Entity with significant influence	1,180.70	1,704.94
Management fees payable			
Sterlite Power Grid Ventures Limited*/Sterlite Power Transmission Limited	Sponsor and Project Manager/Entity with significant influence	0.16	0.16
Deposits given			
Sterlite Power Grid Ventures Limited*/Sterlite Power Transmission Limited	Sponsor and Project Manager/Entity with significant influence	36.00	-

* Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL') wef 15 November 2020
# Sterlite Power Transmission Limited had subscribed to rights issue of the Trust and allotted 0.41 million units. Subsequently, SPTL has disinvested 0.25 million units on 09 June 2021 and 0.16 million units on 10 June 2021. Further SPTL has disinvested remaining 2.04 million units on 07 September 2021.

Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.4(b)(iv) of Section A of Annexure A to SEBI Circular dated 20 October 2016 are as follows:

For the year ended 31 March 2022:
No acquisition from related party for the year ended 31 March 2022.

For the year ended 31 March 2021:
(A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):

(Rs in million)

Particulars	NER	GPTL
Enterprise value	51,175	11,638
Method of valuation	Discounted Cash Flow	
Discounting rate (WACC):	7.40%	7.96%

(B) Material conditions or obligations in relation to the transactions:

Acquisition of Gurgaon Palwal Transmission Limited (GPTL):
Pursuant to the share purchase agreements dated August 28, 2020 ("SPA") executed among Sterlite Power Grid Ventures Limited*, Sterlite Grid 4 Limited, Axis Trustee Services Limited, Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) and Gurgaon Palwal Transmission Limited ('GPTL') for acquisition of equity stake in GPTL, Indigrid has acquired 49% of paid up equity capital of GPTL with effect from August 28, 2020.

Under the Agreements, the Trust has the following rights:
a. Right to nominate the majority of the directors on the Board of Directors of GPTL.
b. The Selling Shareholders are required to vote according in AGM/EGM or any other meeting of shareholders of GPTL in a manner favourable for the interests of IndiaGrid Trust.
c. Irrevocable and unconditional right to acquire the remaining 51% of the equity stake of GPTL at a later date (on expiry of the respective mandatory shareholding period).
d. Pledge on the remaining 51% equity stake in GPTL, of which 2% is pledged to lenders of GPTL.
e. Non-disposal undertaking from the Selling Shareholders for the remaining 51% equity stake in GPTL.

The acquisition of equity shares of GPTL was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of NER II Transmission Limited (NER):
Pursuant to the share purchase agreements dated 05 March 2021 ("SPA") executed among Sterlite Power Transmission Limited, Sterlite Grid 4 Limited, Axis Trustee Services Limited, Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) and NER II Transmission Limited ('NER') for acquisition of equity stake in NER, Indigrid has acquired 49% of paid up equity capital of NER with effect from 25 March 2021. As of 31 March 2021, the Trust has paid additional consideration equivalent to 25% of the total consideration which would be adjusted towards payable for acquisition of 25% of equity stake.

Under the Agreements, the Trust has the following rights:
a. Right to nominate the majority of the directors on the Board of Directors of NER.
b. The Selling Shareholders are required to vote according in AGM/EGM or any other meeting of shareholders of NER in a manner favourable for the interests of IndiaGrid Trust.
c. Irrevocable and unconditional right to acquire the remaining 51% of the equity stake of NER at a later date (on expiry of the respective mandatory shareholding period).
d. Pledge on the remaining 51% equity stake in NER.
e. Non-disposal undertaking from the Selling Shareholders for the remaining 51% equity stake in NER.

The acquisition of equity shares of NER was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Note 31: Capital and other Commitments

(a) The Group has entered into a Framework agreement on 30 April 2019 with Sterlite Grid Ventures Limited ('SPGVL')* for acquisition of Khargone Transmission Limited ('KgTL').

(b) The Group has entered into transmission services agreement (TSA) with long term transmission customers pursuant to which the Group has to transmit power of contracted capacity and ensure minimum availability of transmission line over the period of the TSA. The TSA contains provision for disincentives and penalties in case of certain defaults.

(c) The Group has taken office building on lease which has lease term of 5 years with lock-in-period of 3 years

(d) The Group has capital commitment (net of advances) of Rs. 1,622.86 million (31 March 2021 : Rs. 50.15 million) pertaining to ongoing capital work in progress.

(e) The Group has entered into Power Purchase Agreement ('PPA') with Solar Energy Corporation of India Limited ('SECI'), where IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) and IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) is required to sell power at a pre-fixed tariff of Rs. 4.43/kWh for a period of 25 years from the Commercial operation date to SECI.

(f) The Group has entered into an Implementation and Support Agreement with Andhra Pradesh Solar Power Corporation Private Limited (APSPCL). Annual O&M charges are payable for the period of 25 years from the commercial operation date to APSPCL

(g) The letter of intent for development of Kallam Transmission Limited (KTL) is awarded to consortium of IGL1 and IGL2 ("IndiGrid Consortium") by the REC Power Development and Consultancy Limited (formerly known as REC Power Distribution Company Limited) on 30 November 2021 for a 35-year period from the scheduled commercial operation date, on a Build, Own, Operate and Maintain model. IndiGrid Consortium acquired the project on 28 December 2021 pursuant to Share Purchase Agreement ("SPA"). The project is currently under development with scheduled commissioning on 27 June 2023.

* Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL').

Note 32: Derivative instruments

Bhopal Dhule Transmission Company Limited (BDTCL) has entered into the following derivative instruments:
(a) The following are the outstanding Forward Exchange Contracts entered into by the Company, for hedge purpose.

Year ended	Currency Type	Foreign Currency (In million)	Amount (Rs. in million)	Buy/Sell	No. of contracts (Quantity)
Hedge of foreign currency loan from financial institution					
31 March 2022	US $	27.69	2,086.50	Buy	2
31 March 2021	US $	30.45	2,238.42	Buy	4

(b) Cross currency interest rate swap contracts outstanding as at year end to hedge against exposure to variable interest outflow on loans/foreign currency fluctuations:

Particulars	March 31, 2022	March 31, 2021
Currency type	US $	-
No. of contracts	1.00	-
Amount (USD 'million)	1.39	-
Period of Contract	31 March 2021 to 30 August 2022	-
Floating rate	USD 6 Month Libor + 2.10% to 3.80%	-
Fixed rate	7.02% on INR principal	-

The company has entered into cross currency interest rate swap contract on the foreign currency loan, whereby the foreign exchange rate for principal and interest payments has been fixed at INR 74.74/ USD and the interest rate fixed at 7.02% on the loan amount converted in INR at the fixed USD rate. As a result of the contract, the Company would pay interest in INR at 7.02% on the foreign currency loan converted to INR at INR 74.74/USD and receive interest at USD 6m LIBOR + 2.10% to 3.80% on the foreign currency loan amount.

Note 33: Contingent liability

Particulars	As at 31 March 2022 (Audited)	As at 31 March 2021 (Audited)
Claim against the company not acknowledged as debt		
- Entry tax demand*	432.59	432.59
- VAT/CST Demand #	23.69	33.52
- Other Demands^	406.18	248.14
Total	862.46	714.25

*Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Madhya Pradesh. Out of the total demand Rs. 138.75 million (31 December 2021: Rs. 138.75 million; 31 March 2021: Rs. 138.75 million) pertains to Jabalpur Transmission Company Limited ('JTCL'), Rs. 165.80 million (31 December 2021: Rs. 165.80 million; 31 March 2021: Rs. 165.80 million) pertains to Bhopal Dhule Transmission Company Limited ('BDTCL') and Rs. 13.30 million (31 December 2021: Rs. 13.30 million; 31 March 2021: Rs. 13.30 million) pertains to RAPP Transmission Company Limited ('RTCL') which is pending with High Court, Jabalpur.

Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Madhya Pradesh. The total demand Rs. 1.33 million (31 December 2021: Rs. 1.33 million; 31 March 2021: Rs. 1.33 million) pertains to Bhopal Dhule Transmission Company Limited ('BDTCL') which is pending with Commissioner (Appeals).

Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Chhattisgarh. The total demand Rs. 113.41 million (31 December 2021: Rs. 113.41 million; 31 March 2021: Rs. 113.41 million) pertains to Jabalpur Transmission Company Limited ('JTCL') out of which Rs. 51.55 million (31 December 2021: Rs. 51.55 million; 31 March 2021: Rs. 51.55 million) is pending with the Chhattisgarh High Court, Rs. 40.50 million (31 December 2021: Rs. 40.50 million; 31 March 2021: Rs. 40.50 million) is pending with Chairman Chhattisgarh Commercial tax Tribunal, Raipur (C.G.) and Rs. 21.36 million (31 December 2021: Rs. 21.36 million; 31 March 2021: Rs. 21.36 million) the notice for assessment has been received in the month of October 2020 for which the Group has applied for a certified copy of the Assessment Order on 29 October 2020 and is still awaiting a copy of the same.

Sales tax demand of Rs. 17.99 million (31 December 2021: Rs. 17.99 million; 31 March 2021: Rs. 17.99 million) for Indigrid Limited (IGL) pertains to demand under Delhi VAT Act, 2004 for non-submission of C Forms pertains to demand under Delhi VAT Act, 2004 for non-submission of C Forms for FY 2015-16. The Group has filed an objection against the order with Assistant Commissioner of Delhi VAT Authorities.

VAT demand notice of Rs. 5.70 million (31 December 2021: Rs. 5.70 million; 31 March 2021: Rs. 5.70 million) for Purulia & Kharagpur Transmission Company Limited (PKTCL) pertains to Jharkhand VAT Act, 2005. The Group has received the notice for assessment in the month of January 2020 and various submissions along with the requisite details and documents were made to the officer. The Group further applied for a certified copy of the Assessment Order on 01 October 2020 and is still awaiting a copy of the same.

VAT demand notice of Rs. NIL (31 December 2021: Rs. 9.83 million; 31 March 2021: Rs. 9.83 million) for Jabalpur Transmission Company Limited (JTCL) pertains to Chhattisgarh, VAT Act, 2005. The Group has received the notice for assessment in the month of October 2020.

^During the financial year 2019-20, land owners have filed a case with the District Court, Jhajjar, Haryana towards compensation and interest thereon for the value of land over which the transmission line is passing. The Group is of the view that required amount of compensation to these landowners have already been paid and no further compensation is payable. Further, these litigations are barred by limitations. Based on the legal advice, the Group does not anticipate any liability against the same and has disclosed a contingent liability of Rs. 20.12 million (31 December 2021: Rs. 20.12 million; 31 March 2021: Rs. 20.12 million).

It also includes an amount of Rs. 173.39 million (31 December 2021: Rs. 163.75 million; 31 March 2021: Rs. 228.02 million) for claims from farmers for additional Right of Way (RoW) compensation made against one of the subsidiaries.

Further it includes an amount of Rs. 212.67 million (31 December 2021: Rs. 212.67 million; 31 March 2021: Nil) for claims from one of the erstwhile EPC contract vendors against two of the subsidiaries.

Dues pertains to IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) (ISPL1) (SPV) and IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) for ambiguity in GST rates applied for solar panels . Such dues if payable , would be eligible for additional tariff as per PPA with Solar energy corporation of India (SECI).

The Group has not provided for disputed liabilities disclosed above arising from entry tax demands which are pending with different authorities mentioned above for its decision. The Group is contesting the demands and the Group management, including its legal advisors, believe that its position will likely be upheld in the appellate process. No liability has been accrued in the consolidated financial statements for the demands raised. The Group management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position.

During the previous year, one of the vendor involved in construction of power transmission infrastructure has filed arbitration proceedings against East-North Interconnection Company Limited ('ENICL') in relation to turnkey construction contract executed by it earlier years which is pending before Arbitral Tribunal. Pursuant to share purchase agreement dated 23 March 2020, the Group has obtained corporate guarantee of INR 500 million from SPGVL* in respect of said arbitration. Further, all cost, expenses, liabilities and taxes with respect to the arbitration will be to the sole account of SPGVL*. The Group management doesn't expect the claim to succeed and accordingly no provision for the contingent liability has been recognised in the consolidated financial results.

* Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL') wef 15 November 2020.

The total contingent liability (except ROW and GST claim against FRV-1 and FRV-2) is recoverable as per share purchase agreement from Selling Shareholders.

Note 34: Segment reporting

The Groups's activities comprise of owning and investing in transmission SPVs and solar SPVs to generate cash flows for distribution to unitholders. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of Ind AS -108 have not separately been given.

Under Point of Connection (PoC) mechanism, Power Grid Corporation of India Limited ('PGCIL') is designated as Central Transmission Utility with the responsibility for billing and collecting of usage charges from Inter-State Transmission Services (ISTS) users. Hence the entire amount of trade receivables pertaining to transmission and solar charges is receivable from PGCIL.

Note 35: Details of Dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.		
Principal amount due to micro and small enterprises	9.05	23.25
Interest due on above	-	-
(ii) The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

Interest payable as per section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 is Nil (31 March 2021: Nil). Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimations received from the "suppliers" / information available with the Company regarding their status under the Micro, Small and Medium Enterprises Act, 2006.

Note 36: Leases

Indigrid Limited (IGL) has lease contract for office building used in its operations which have lease term of 5 years with lock-in-period of 3 years. Further IGL's obligations under its leases are secured by the lessor's title to the leased assets. The lease liability has been measured by using the incremental borrowing rate.

IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) has taken leasehold land which has lease term of 25 years from the commercial operation date (COD) in relation to which the company is required to pay a fixed annual operating and maintenance expenses for using common infrastructure facilities. The lease liability has been measured by using the incremental borrowing rate as on date of first time IndAS adoption.

IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) has taken leasehold land which has lease term of 25 years from the commercial operation date (COD) in relation to which the company is required to pay a fixed annual operating and maintenance expenses for using common infrastructure facilities. The lease liability has been measured by using the incremental borrowing rate as on date of first time IndAS adoption.

Maturity analysis of lease liabilities:

(Rs. in million)

Particulars	Less than 3 months	3 months to 12 months	1 to 5 years	More than 5 years	Total
31 March 2022					
Lease liability	2.78	8.55	29.19	1.11	41.63
Total	2.78	8.55	29.19	1.11	41.63
31 March 2021					
Lease liability	3.40	10.36	32.12	-	45.88
Total	3.40	10.36	32.12	-	45.88

Note 37: Financial risk management objectives and policies

The Group's principal financial liabilities comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, cash and short-term deposits and other financial assets that derive directly from its operations.

The Group may be exposed to market risk, credit risk and liquidity risk. The Investment Manager oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The management reviews and agrees policies for managing each of these risks, which are summarised below.

The Risk Management policies of the Group are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Groups's activities.

Management has overall responsibility for the establishment and oversight of the Group's risk management framework.

(A) Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, bank deposits and investments

Interest rate risk
Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rate primarily relates to the Group's long term debt obligations with floating interest rates. To manage this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. As at 31 March 2022, there are no borrowings of the Group at floating interest rates.

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's foreign currency borrowings and payables in foreign currency (if any).

(B) Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its investing activities including loans to subsidiaries, deposits with banks and other financial instruments. As at 31 March 2022 and 31 March 2021, the credit risk is considered low since substantial transactions of the group are with its subsidiaries.
The Group through its subsidiaries is engaged in transmission business under BOOM (Build, Own, Operate and Maintain) model and currently derive its revenue primarily from BOOM contracts with long term transmission customers ('LTTC'). The Group also holds transmission infrastructure pertaining to Jhajjar KT Transco Private Limited which operates on a Build Operate and Transfer ("BOT") basis. Being transmission licensee, the Group receives payments as per the pooling arrangements specified under the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 ('Pooling Regulations'). In the PoC method, the transmission charges to be recovered from the entire system are allocated between users based on their location in the grid. Under the PoC mechanism, all the charges collected by the Central Transmission Utility ('CTU') from LTTC's are disbursed pro-rata to all Transmission Service Providers ('TSPs') from the pool in proportion of the respective billed amount. Due to this, the TSPs are shielded against any potential default by a particular customer. If a particular customer delays or defaults, the delay or shortfall is prorated amongst all the TSPs. Based on past history of payments, payments due have always been paid and there have been no write-off's for due amounts. Due to the payment mechanism explained above as well as due to no history of any write-off's of payments which were due, the Group has not considered any expected credit loss on the financial assets in the nature of trade receivables. During the various periods presented, there has been no change in the credit risk of trade receivables. However, this assessment may need a review if there is any change in the Pooling Regulations.

Credit risk from balances deposited/invested with banks and financial institutions as well as investments made in mutual funds, is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. Counterparty limits are reviewed by the top management on an annual basis, and may be updated throughout the year subject to approval of the Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. Based on this policy, the Group does not foresee any risk on account of credit losses, either in the bank deposits which are made with AAA rated banks and also in regard to mutual funds which is primarily debt oriented funds. No loss allowances have been provided for any trade receivables, or other receivables from financing activities like cash and bank deposits, mutual funds and other similar deposits. Also, there have been no modifications in contractual cash flows on financial assets.

The Group's maximum exposure to credit risk for the components of the balance sheet as at 31 March 2022 is the carrying amounts of trade and other receivables, cash and cash equivalents and other assets as disclosed in Note 5, 6, 7, 8, 9 and 10 respectively. However, the credit risk is low due to reasons mentioned above.

(C) Liquidity risk
Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Group requires funds both for short term operational needs as well as for long term investment programs mainly in transmission projects. The Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents and liquid investments will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The other financial liabilities are with short term durations. The table below summarises the maturity profile of the Groups's financial liabilities based on contractual undiscounted payments:

Particulars	Payable on demand	Less than 3 months	3 months to 12 months	1 to 5 years	More than 5 years	Total
31 March 2022						
Borrowings	-	20,852.58	2,925.95	41,295.82	68,274.10	1,33,348.45
Trade payables	-	426.17	35.48	23.77	0.87	486.29
Other financial liabilities (excluding derivative instruments and lease liabilities)	-	1,116.08	3,937.74	-	-	5,053.82
Derivatives #	-	13.23	-	-	-	13.23
Total	-	22,408.06	6,899.17	41,319.59	68,274.97	1,38,901.79

Particulars	Payable on demand	Less than 3 months	3 months to 12 months	1 to 5 years	More than 5 years	Total
31 March 2021						
Borrowings	-	-	-	4,876.67	1,31,188.03	1,36,064.70
Trade payables	-	225.33	-	-	-	225.33
Other financial liabilities (excluding derivative instruments)	-	1,189.30	12,956.51	-	-	14,145.81
Derivatives #	-	73.45	155.39	-	-	228.84
Total	-	1,488.08	13,111.90	4,876.67	1,31,188.03	1,50,664.68

Note 38: Capital management
For the purpose of the Groups's capital management, capital includes issued unit capital and all other reserves attributable to the unit holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unit holder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the distribution to unitholders (subject to the provisions of InvIT regulations which require distribution of at least 90% of the net distributable cash flows of the Trust to unit holders), return capital to unitholders or issue new units. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio optimum. The Group includes within net debt, interest bearing loans and borrowings and other payables less cash and cash equivalents, other bank balances and short term investments.

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Borrowings	1,33,348.45	1,36,064.70
Less: Cash and cash equivalents, other bank balances and short term investments	(15,041.24)	(27,838.10)
Net debt (A)	1,18,307.21	1,08,226.60
Unit capital	65,903.15	53,145.69
Other equity	(11,720.89)	(6,379.84)
Total capital (B)	54,182.26	46,765.85
Capital and net debt ((C) = (A) + (B))	1,72,489.47	1,54,992.45
Gearing ratio (A)/(C)	69%	70%

Financial Covenants
In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

Note 39: Post Employment Benefits Plan

Indigrid Limited , Indigrid Solar-I (AP) Private Limited, Indigrid Solar-II (AP) Private Limited and RAPP Transmission Company Limited

The Group has a defined benefit gratuity plan. The gratuity benefits payable to the employees are based on the employee's service Every employee who has completed five years or more of service gets a gratuity on departure at last drawn salary at the time of leaving.
The employee do not contribute towards this plan and the full cost of providing these benefits are met by the group. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

Changes in the present value of the defined benefit obligation are as follows:

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Defined benefit obligation at the beginning of the year	1.96	-
Transferred from immediate holding company / subsidiary of immediate holding company*	-	-
Current service cost	2.52	1.96
- Interest Cost	0.13	-
Benefit paid directly by the employer	(0.15)	(0.03)
Remeasurements during the period due to:	-	-
Actuarial (gain)/loss due to change in financial assumptions	(0.03)	-
Actuarial (gain)/loss on obligation due to experience	0.60	0.03
Present value of defined benefit obligation at the end of the year	4.99	1.96

* Pertains to employees transferred from Sterlite Power Tranmisison Limited and its wholly owned subsidiary Sterlite Power Grid Ventures Limited.

Details of defined benefit obligation

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Present value of defined benefit obligation	4.99	1.96
Fair value of plan assets	-	-
Benefit liability	4.99	1.96

Net employee benefit expense recognised in the statement of profit and loss:

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Current service cost	2.52	1.96
Interest cost on defined benefit obligation	0.13	-
Past service cost	-	-
Net actuarial (gain) / loss recognised	0.53	-
Expected return on plan assets	-	-
Contribution by employer	-	-
Net benefit expense	3.19	1.96

Net employee benefit expense recognised in the other Comprehensive income:

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Actuarial (gain)/loss on obligation for the year	0.53	0.03
Net (income)/expense for the year recognised in OCI	0.53	0.03

Amounts for the current and previous year are as follows:

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Defined benefit obligation	4.99	1.96
Plan assets	-	-
Surplus / (deficit)	(4.99)	(1.96)
Experience adjustments on plan liabilities	-	-
Experience adjustments on plan assets	-	-

The principal assumptions used in determining defined benefit obligation are shown below:

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Discount rate	6.90%	6.82%
Expected rate of return on plan asset	-	-
Employee turnover	10.00%	4.00%
Salary escalation rate (p.a)	7.00%	7.00%
Actual rate of return on plan assets	-	-
Retirement age (years)	58	58

The estimated future salary increase, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

A quantative sensitivity analysis for significant assumptions as at 31 March 2022 and 31 March 2021 is as shown below:

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Projected benefit obligation on current assumptions	4.99	1.96
Effect of +1% Change in discount rate	(4.22)	(0.22)
Effect of -1% Change in discount rate	4.88	0.26
Effect of +1% Change in salary escalation rate	4.88	0.25
Effect of -1% Change in salary escalation rate	(4.22)	(0.22)

The following is the expected payment of benefits in the future years:

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Within the next 2 years	0.92	0.07
Between 3 and 5 years	1.27	0.20
Between 6 and 10 years	2.29	1.13
Beyond 11 years	-	3.86
Total expected payments	4.48	5.26

Parbati Koldam Transmission Company Limited

The Company has a defined benefit gratuity plan. The gratuity benefits payable to the employees are based on the employee's service Every employee who has completed five years or more of service gets a gratuity on departure at last drawn salary at the

Changes in the present value of the defined benefit obligation are as follows:

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Defined benefit obligation at the beginning of the year	6.05	-
Transferred from immediate holding company / subsidiary of immediate holding company*	-	8.15
Current service cost	0.41	0.82
- Interest Cost	0.41	0.55
- Past service cost	-	-
Benefit paid directly by the employer	(0.40)	-
Remeasurements during the period due to:	-	-
Actuarial (gain)/loss due to change in demographic assumptions	(0.06)	-
Actuarial (gain)/loss due to change in financial assumptions	(0.04)	0.57
Actuarial (gain)/loss on obligation due to experience	(1.34)	(4.04)
Present value of defined benefit obligation at the end of the year	5.02	6.05

* Pertains to liabilities transferred on acquisition of Parbati Koldam Transmission Company Limited by the Group.

Details of defined benefit obligation

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Present value of defined benefit obligation	5.02	6.05
Fair value of plan assets	(11.90)	(11.21)
Benefit recognized as advance gratuity	(6.87)	(5.17)

Net employee benefit expense recognised in the statement of profit and loss:

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Current service cost	0.41	0.82
Interest cost on defined benefit obligation	0.41	(0.10)
Past service cost	-	-
Net actuarial (gain) / loss recognised	(1.44)	-
Expected return on plan assets	-	-
Contribution by employer	-	-
Net benefit expense	(0.62)	0.71

Net employee benefit expense recognized in the Other Comprehensive Income:

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Actuarial (gain)/loss on obligation for the year	(1.44)	(3.47)
Return on plan assets , excluding interest income	-	(0.92)
Change in asset ceiling	-	-
Net (income)/expense for the year recognized in OCI	(1.44)	(4.39)

Changes in Fair Value of plan assets:

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Opening value of plan assets	11.24	-
Transferred due to acquisition of entity*	-	9.64
Actuarial (gain)/loss on obligation for the year	0.76	-
Interest cost/(income) on plan assets	-	0.66
Actual return on plan assets less interest/(income) on plan assets	(0.11)	0.92
Closing Balance of Fair Value of Plan Assets	11.90	11.21

* Pertains to plan assets transferred on acquisition of Parbati Koldam Transmission Company Limited by the Group.

Amounts for the current and previous year are as follows:

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Defined benefit obligation	(5.02)	(6.05)
Plan assets	11.90	11.21
Surplus / (deficit)	6.87	5.17

The principal assumptions used in determining defined benefit obligation are shown below:

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Discount rate	6.90%	6.58%
Expected rate of return on plan asset	-	-
Employee turnover	10.00%	4.00%
Salary escalation rate (p.a)	7.00%	7.00%
Actual rate of return on plan assets	-	0.92
Retirement age (years)	58	58

The estimated future salary increase, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

A quantative sensitivity analysis for significant assumptions as at 31 March 2022 and 31 March 2021 is as shown below:

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Projected benefit obligation on current assumptions	6.05	6.05
Effect of +1% Change in discount rate	(4.70)	(0.55)
Effect of -1% Change in discount rate	5.40	0.65
Effect of +1% Change in salary escalation rate	5.39	0.65
Effect of -1% Change in salary escalation rate	(4.69)	(0.56)

The following is the expected payment of benefits in the future years:

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Within the next 2 years	1.03	0.95
Between 3 and 5 years	1.99	0.76
Between 6 and 10 years	1.76	2.23
Beyond 11 years	-	10.13
Total expected payments	4.78	14.08

The weighted average durations to the payment of these cash flows is 12 years at the end of the reporting period.

Note 40: List of subsidiaries which are included in consolidation and IndiGrid's effective holding therein are as under:

Name of the Entity	Country of incorporation	Effective ownership as on 31 March 2022	Effective ownership as on 31 March 2021
Directly held by the Trust:			
Indigrid Limited ("IGL")	India	100%	100%
Indigrid 1 Limited ("IGL1")	India	100%	100%
Indigrid 2 Limited ("IGL2")	India	100%	100%
Patran Transmission Company Limited ("PTCL")	India	100%	74%
East-North Interconnection Company Limited@	India	100%	100%
Gurgaon-Palwal Transmission Limited ("GPTL")^	India	49%	49%
Jhajjar KT Transco Private Limited ("JKTPL")^^	India	100%	100%
Parbati Koldam Transmission Company Limited ('PrKTCL') ##	India	74%	74%
NER II Transmission Limited ("NER") @@	India	49%	49%
IndiGrid Solar-I (AP) Private Limited(formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) ^^^	India	100%	-
IndiGrid Solar-II (AP) Private Limited(formerly FRV India Solar Park-II Private Limited) ^^^	India	100%	-
Indirectly held by the Trust (through subsidiaries):			
Bhopal Dhule Transmission Company Limited ("BDTCL")	India	100%	100%
Jabalpur Transmission Company Limited ("JTCL")	India	100%	100%
Purulia & Kharagpur Transmission Company Limited ("PKTCL")	India	100%	100%
RAPP Transmission Company Limited ("RTCL")	India	100%	100%
Maheshwaram Transmission Limited ("MTL")	India	100%	100%
NRSS XXIX Transmission Limited ("NTL")	India	100%	100%
Odisha Generation Phase-II Transmission Limited ("OGPTL")	India	100%	100%
Kallam Transmission Limited ("KTL")@@@	India	100%	0%

^The Trust acquired 49% of paid up equity capital of Gurgaon Palwal Transmission Limited ('GPTL') with effect from 28 August 2020 from Sterlite Power Grid Ventures Limited ('SPGVL') (merged with "Sterlite Power Transmission Limited" (SPTL)) and Sterlite Grid 4 Limited ('SGL4'), (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 28 August 2020 ("SPA"). The Trust has finalised purchase consideration for acquisition of entire stake in GPTL and has entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in GPTL from the Selling Shareholders. The Trust has beneficial interest based on the rights available to it under the SPA.

^^ The Trust acquired 74% of paid up equity capital of Jhajjar KT Transco Private Limited ('JKTPL') with effect from 28 September 2020 from Kalpataru Power Transmission Limited, Techno Electric & Engineering Company Limited, (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 29 May 2020 ("SPA") and acquired the remaining 26% equity stake in JKTPL on 03 October 2020.

The Trust acquired 74% of paid up equity capital of Parbati Koldam Transmission Company Limited ('PrKTCL') with effect from 08 January 2021 from Reliance Infrastructure Limited (referred as "the Selling Shareholder") pursuant to Share Purchase Agreement dated 28 November 2020 ("SPA"). The balance 26% share in PrKTCL is held by PowerGrid Corporation of India Limited ("PGCIL").

@@ The Trust also acquired 49% of paid up equity capital of NER II Transmission Limited ("NER") with effect from 25 March 2021 from Sterlite Power Transmission Limited (SPTL)) and Sterlite Grid 4 Limited ('SGL4'), (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 05 March 2021, as amended on 25 March 2021 ("SPA"). The Trust has finalised purchase consideration for acquisition of entire stake in NER and has entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in NER from the Selling Shareholders. As of 31 March 2021, the Trust has paid additional consideration equivalent to 25% of the total consideration as an advance which would be adjusted towards payable for acquisition of 25% of equity stake. The Trust has beneficial interest based on rights available to it under SPA.

^^^The Trust also acquired 100% of paid up equity capital of IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) ('ISPL1') and IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) ('ISPL2') with effect from 13 July 2021 from FRV Solar Holdings XI B.V. and Fotowatio Renewable Ventures S.L (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 18 December 2020 ("SPA").

@@@The letter of intent for development of Kallam Transmission Limited (KTL) is awarded to consortium of IGL1 and IGL2 ("IndiGrid Consortium") by the REC Power Development and Consultancy Limited (formerly known as REC Power Distribution Company Limited) on 30 November 2021 for a 35-year period from the scheduled commercial operation date, on a Build, Own, Operate and Maintain model. IndiGrid Consortium acquired the project on 28 December 2021 pursuant to Share Purchase Agreement ("SPA"). The project is currently under development with scheduled commissioning on 27 June 2023.

Note 41: Long Term Incentive Plan

Long Term Incentive Plan 2020 and 2021- Indigrid Limited

During the year ended 31 March 2021, Indigrid Limited launched a Long-Term Incentive Plan 2020 ("Scheme"). This Scheme has been formulated by the Nomination and Remuneration Committee and approved by it at its meeting held on 25 May 2020 and approved by the Board at its meeting held on 25 May 2020. The Scheme is established with effect from 01 April 2020 and shall continue to be in force until: (i) its termination by the Board, or (ii) the date on which all of the Unit Linked Rights available for issuance under the Scheme have been issued or have lapsed, or have been cancelled by the Nomination and Remuneration Committee, and the Nomination and Remuneration Committee does not intend to re-issue such lapsed or cancelled Unit Linked Rights. During the year ended 31 March 2022, the Group has allotted the value of 0.12 million units of India Grid Trust to its employees under the Scheme.

The Board, at its meeting held on May 26, 2021, has resolved to issue to Employees under the Scheme 2021, Unit Linked Rights, in one or more tranches, whereby each such Unit Linked Right confers the right on the Grantee to receive Value in terms of this Scheme 2021.

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Opening balance as at the beginning of the year	11.29	-
LTIP granted during the year	15.23	10.52
LTIP cancelled during the year	(0.12)	(0.15)
Payment towards LTIPs vested	(6.93)	-
Balance	19.47	10.37
Provision for distribution per unit	2.89	0.92
Closing balance as at the end of the year	22.36	11.29

During the year, the Company has granted 0.12 million units of India Grid Trust to eligible employees under the Long-Term Incentive Plan 2020 and 2021 ("Scheme") as approved by the Nomination and Remuneration Committee and by the Board at the meetings held on 28 April 2020. Management has made provision of Rs. 11.29 million for 0.12 million units of India Grid Trust granted during the year under this scheme.

Long Term Incentive Plan 2021 - Parbati Koldam Transmission Limited

During the year ended 31 March 2022, the Company launched a Long-Term Incentive Plan 2021 ("Scheme"). This Scheme has been formulated by the Nomination and Remuneration Committee and approved by it at its meeting held on 19 January 2021 and approved by the Board at its meeting held on 17 May 2021. The Scheme is established with effect from 01 April 2021 and shall continue to be in force until: (i) its termination by the Board, or (ii) the date on which all of the Unit Linked Rights available for issuance under the Scheme have been issued or have lapsed, or have been cancelled by the Nomination and Remuneration Committee, and the Nomination and Remuneration Committee does not intend to re-issue such lapsed or cancelled Unit Linked Rights. During the year ended 31 March 2022, the Company has allotted the value of 0.01 million units of India Grid Trust to its employees under the Scheme.

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Opening balance as at the beginning of the year	-	-
LTIP granted during the year	0.45	-
LTIP cancelled during the year	-	-
Payment towards LTIPs vested	-	-
Balance	0.45	-
Provision for distribution per unit	0.07	-
Closing balance as at the end of the year	0.52	-

During the year, the Company has granted 0.01 million units of India Grid Trust to eligible employees under the Long-Term Incentive Plan 2021 ("Scheme") as approved by the Nomination and Remuneration Committee and by the Board at the meetings. Management has made provision of Rs. 0.52 million for 0.01 million units of India Grid Trust granted during the year under this scheme.

Vesting of Unit Linked Rights shall be subject to the conditions that the Grantee is:
a. in continuous employment with the Company;
b. is not serving any notice of resignation/ termination on the date of such Vesting (except in the case of (a) death; (b) Permanent Incapacity suffered by the Grantee; or (c) Retirement; and
c. is not subject to any pending disciplinary proceeding.

The Value of the pay-out would be determined as per following formula:
Value of the vested Unit Linked Rights = Number of Unit Linked Rights Vested * 30 days closing volume weighted average# of IndiGrid market price + (Distribution* earned on the unvested units).

Volume weighted average price of per unit is the 30 days closing average of IndiGrid market price (From 02 March 2022 to 31 March 2022).

* Distribution pay-out is subject to actual declaration accumulated on units and approval of India Grid Trust.

On 20 May 2022, the Board of directors of the Investment Manager approved a distribution of Rs. 3.1875 per unit for the period 1 January 2022 to 31 March 2022 to be paid on or before 15 days from the date of declaration.

Note 42: Regulatory Deferral Account Balances

Regulatory Assets / (Liability) with respect to entity Parbati Koldam Transmission Limited:
In accordance with the Guidance Note on Rate Regulated Activities issued by ICAI, the reconciliation of the Regulatory Assets / (Liabilities) of the Group as on March 31, 2022 is as under:

(Rs. in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Regulatory Asset / (Liability)		
Opening Balance	-	-
Add: Accrued during the period		
For Current Period / Year		
- Return on Equity	-	-
Regulatory Asset / (Liability) on account of Deferred Tax	(6.93)	(131.20)
Less: Income Tax on Deferred Tax	1.21	22.92
Total (1+2)	(5.72)	(108.27)
	-	-
Less: Payable / (Recoverable) from beneficiaries	5.72	108.27
Closing Balance (A+B+C)	-	-
Deferred Tax Liability		
Opening Balance	656.57	787.76
Add: Deferred Tax Liability during the period / year	(6.93)	(131.20)
Total	649.64	656.56
Less: Recoverable from beneficiaries	(649.64)	(656.56)
Closing Balance	-	-

(i) Determination of Transmission service charges (TSC) chargeable by PrKTCL to its consumers is governed by CERC Tariff Regulation, 2019, whereby CERC determines the Transmission service charges wherein PrKTCL earns assured return of 15.5% p.a. post tax on CERC approved equity in the business. The rate review on account of grossing up with the actual tax rate or "truing up" process during the tariff period is being conducted as per the principle stated in CERC Regulations to adjust the tariff rates downgrade or upgrade to ensure recovery of actual tax paid and assured return on equity.

(ii) During the truing up process, revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) are determined by the regulator and are permitted to be carried forward as regulatory assets/ regulatory liabilities which would be recovered / refunded through future billing based on future tariff determination by the regulator. At the end of each accounting period, PrKTCL also determines regulatory assets/regulatory liabilities in respect of each accounting period on self true up basis.

Market Risk

PrKTCL is in the business of developing the Transmission Line for supplying the eletricity to beneficiary, therefore no demand risk anticipated because the License issued by the CERC for 25 years. The Project is constructed under Cost Plus Contract.

Regulatory Risk

(i) PrKTCL is Operating under Regulatory Environment governed by Central Electricity Regulatory Commission (CERC). Tariff is subject to Rate Regulated Activities.

(ii) PrKTCL determine revenue gaps (i.e. surplus / shortfall in actual returns over returns entitled) in respect of their regulated operations as given in the Guidance Note on Rate Regulated Activities and based on the principles laid down under the relevant tariff regulations / tariff orders notified by the CERC and the actual or expected actions of the regulators under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the respective years for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments / accruals representing revenue gaps are carried forward as regulatory defferal account debit / credit balances which would be recovered / refunded through future billing based on future tariff determination by the regulators in accordance with the respective electricity regulations.

(iii) The key risks and mitigating actions are also placed before the Audit Committee of PrKTCL. PrKTCL's risk management policies are established to identify and analyze the risks faced by PrKTCL, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and PrKTCL's activities.

(iv) PrKTCL's risk for Regulatory Assets are monitored by the Regulatory Team under policies approved by the Board of Directors. The Team identifies, evaluates and protect risks in close cooperation with PrKTCL's operating units. The board provides principles for overall risk management, as well as policies covering specific areas.

(v) Regulatory Assets recognized in the Books of Accounts of PrKTCL are subject to True up by CERC as per Regulation.

Net tax recoverable from beneficiaries:

1. In accordance with the CERC tariff regulation for determination of tariff, the income-tax paid is considered for tariff determination (truing up). Accordingly, PrKTCL has considered deferred tax liability as on 31 March 2022 as Net tax recoverable from beneficiaries.

2. As per the Standard, deferred tax on timing differences which reverse during the tax holiday period should not be recognised. For this purpose, the reversal during the tax holiday period is adjusted against the deferred tax liability created till FY 2021-2022. Therefore, the reversal of timing difference during the tax holiday period, would be considered to be out of the timing difference as at 31 March 2022 and reversed during the period ended 31 March 2022.

Note 43: Impact of COVID-19

The ongoing spread of COVID-19 has impacted business in various countries including India and there have been disruptions to regular business operations due to COVID response measures undertaken in certain geographies. The management has assessed impact on business and financial risks on account of COVID-19 on the financial statements of the Group. Considering that the subsidiaries of the Group are engaged in the business of transmission of electricity which is considered as an "Essential Service", the management believes that the impact of COVID-19 is not significant. The management does not see any risks in the Group's ability to continue as a going concern and meeting its liabilities as and when they fall due.

Further, the management will continue to monitor and assess impact of economic conditions arising due to COVID-19. The impact of COVID-19 may differ from that expected at the date of approval of the financial statements.

Note 44: Other Information

(i) The Trust does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Trust does not have any transactions with Companies struck off.

(iii) The Trust have not traded or invested in Cryptocurrency or Virtual Currency during the financial year.

(iv) The Trust does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)(as Investment Manager of India Grid Trust)

per Huzefa Ginwala	Harsh Shah	Swapnil Patil	Jyoti Kumar Agarwal
Partner	CEO & Whole Time Director	Company Secretary	Chief Financial Officer
Membership Number : 111757	DIN: 02496122	Membership Number : 24861	
Place : Pune	Place : Mumbai	Place : Mumbai	Place : Mumbai
Date : 20 May 2022	Date : 20 May 2022	Date : 20 May 2022	Date : 20 May 2022

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of India Grid Trust

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of India Grid Trust (hereinafter referred to as the "InvIT") and its subsidiaries (the InvIT and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Statement of Changes in Unit Holders' Equity, the consolidated Statement of Cash Flow for the year then ended, the consolidated Statement of Net Assets at fair value as at March 31, 2021, the consolidated Statement of Total Returns at fair value, the Statement of Net Distributable Cash Flows ('NDCFs') of the InvIT, the underlying Holding Companies ("HoldCos") and each of its subsidiaries for the year then ended, and a summary of significant accounting policies and other explanatory notes (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended including any guidelines and circulars issued thereunder (together referred to as the "InvIT Regulations") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent not inconsistent with InvIT regulations, of the consolidated state of affairs of the Group as at March 31, 2021, its consolidated profit including other comprehensive income, its consolidated cash movements and its consolidated movement of the unit holders' funds for the year ended March 31, 2021, its consolidated net assets at fair value as at March 31, 2021, its consolidated total returns at fair value and the net distributable cash flows of the InvIT, the underlying HoldCos and each of its subsidiaries for the year ended March 31, 2021.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the InvIT Regulations and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to the Note No. 20.2(h) of the consolidated financial statements as regards revenue recognition in Parbati Koldam Transmission Company Limited, a subsidiary of the Group, on which the auditor of such subsidiary has issued an emphasis of matter reproduced by us as under:

"We draw attention to the Note No- 16 of the financial statements in respect of revenue. The Company during the year has recognized the Transmission Service Charges (TSC) which is based on the final tariff order approved by the CERC and applicable as on March 31, 2019 as tariff petition for the tariff period 2019 -2024 is yet to be filed by the Company. Difference in the Revenue recognised and the tariff approved for tariff period 2019-24 shall be recognised once the tariff petition is filed by the Company and the same is approved by the CERC for the tariff period 2019-2024. The amount billed is Rs. 16,736.56 lacs. (Previous year Rs. 18,940.68 lacs).

Our opinion is not modified in respect of this matter."

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	**How our audit addressed the key audit matter**
Applicability of Appendix D of Ind AS 115 'Service Concession Arrangement' *(as described in Note 26 of the consolidated financial statements)*	
The Group through its subsidiaries acts as a transmission licensee under the Electricity Act, 2003 holding valid licenses for 25 years. Generally, the subsidiaries have entered into Transmission Services	Our audit procedures included, among others, the following: • We obtained and read the TSAs to understand roles and responsibilities of the grantor.

Key audit matters	How our audit addressed the key audit matter
Agreements ("TSA") with Long Term Transmission Customers ("LTTC") through a tariff-based bidding process to Build, Own, Operate and Maintain ("BOOM") the transmission infrastructure for a period of 25/35 years. In case of one of the subsidiaries - Jhajjar KT Transco Private Limited (JKTPL), unlike other subsidiaries which operate through tariff based competitive bidding process, transmission assets of JKTPL have been developed under a cost plus tariff model which includes construction, maintenance and operation of transmission lines and evacuating power from power plants. The subsidiary has entered into TSA with various Designated inter-state transmission system customers (DIC) to Build, Own and Operate ("BOO") the transmission infrastructure for a period of 35 years. The Management of Investment Manager ("the management") is of the view that the grantor as defined under Appendix D of Ind AS 115 ("Appendix D") requires transmission licensee to obtain various approvals under the regulatory framework to conduct its operations both during the period of the license as well as at the end of the license period. In the view of management, generally the grantor's involvement and approvals are to protect public interest and are not intended to control, through ownership, beneficial entitlement or otherwise, any significant residual interest in the transmission infrastructure at the end of the term of the arrangement. Accordingly, management is of the view that Appendix D is not applicable to the Group. Considering the judgement involved in determining the grantor's involvement and whether the grantor controls, through ownership, beneficial entitlement or	• We read and evaluated the TSAs to understand whether the grantor controls significant residual interest in the infrastructure at the end of the term of the arrangement through ownership, beneficial ownership or otherwise. • We discussed with the management regarding the extent of grantor's involvement in the transmission assets and grantor's intention not to control the significant residual interest through ownership, beneficial entitlement or otherwise. • We assessed the positions taken by other entities in India with similar projects/TSAs as to the extent of involvement of the grantor and the consequent evaluation of the applicability of Appendix D for such entities and confirmed our understanding. • We read and assessed the disclosures included in the consolidated financial statements for compliance with the relevant accounting standards requirements.

Key audit matters	How our audit addressed the key audit matter
otherwise, and any significant residual interest in the transmission infrastructure at the end of the term of the arrangement, this is considered as a key audit matter.	
<u>Key judgements and estimates used in the application of Appendix D of Ind AS 115 'Service Concession Arrangement' a subsidiary of the Group - Jhajjar KT Transco Private Limited (JKTPL)</u> *<u>(as described in Note 26 of the consolidated financial statements)</u>*	
JKTPL acts as a transmission licensee under the Electricity Act, 2003 holding valid licenses for 25 years issued by Haryana Electricity Regulation Commission. JKTPL has entered into TSA with Haryana Vidyut Prasaran Nigam Limited through a tariff-based bidding process to Build, Operate and Transfer ("BOT") the transmission infrastructure for a period of 25 years. The Group constructs transmission infrastructure and operates and maintains such infrastructure for a specified period of time. The infrastructure constructed by the Group is not recorded as property, plant and equipment of the Group because the TSA does not transfer to the concessionaire the right to control the use of public services infrastructure. The group only has the right to operate the infrastructure for the provision of public services on behalf of the grantor, as provided in the contract. Thus, under the terms of the TSA, the Group only acts as a service provider. Hence this arrangement is accounted for under Appendix D to Ind AS 115 – Service Concession Arrangements. The Group has classified the concession arrangements under financial asset model since the operator has an unconditional contractual right to receive cash or other financial assets from or at the direction of the grantor for the services. Accordingly, the above matter was determined to be a key audit matter in our	Our audit procedures included, among others, the following: • We evaluated terms of the TSA to understand roles and responsibilities of the grantor. • We tested, on sample basis, the base data and supporting documents for basis of key assumptions and estimates used by the management. • We read and evaluated the TSA to understand whether the grantor controls significant residual interest in the infrastructure at the end of the term of the arrangement through ownership, beneficial ownership or otherwise. • We evaluated the management's assessment process for applicability of Appendix D of Ind AS 115 for transmission projects based on the terms of the agreement and tested the judgements/ estimates relating to future cash flows over the concession period, and discounting rate used to discount expected cash flows. • We tested the arithmetical accuracy of the valuation models. • We read and assessed the disclosures included in the consolidated financial statements for compliance with the relevant accounting standards requirements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>audit of the consolidated financial statements.</td><td></td></tr>
<tr><td colspan="2"><u>Impairment of property, plant and equipment and service concession arrangements</u>
<u>(as described in Note 3,6 and 26 of the consolidated financial statements)</u></td></tr>
<tr><td>The Group owns and operates various power transmission assets. The carrying value of the power transmission assets as at March 31, 2021, included under property, plant and equipment and service concession arrangements is INR 166,851 million.

In accordance with Ind AS 36 and Ind AS 109, at each reporting period end, management assesses the existence of impairment indicators of property, plant and equipment and service concession arrangements. In case of existence of impairment indicators, property, plant and equipment and service concession arrangements balances are subjected to impairment test.

The processes and methodologies for assessing and determining the fair value is based on complex assumptions, that by their nature imply the use of the management's judgment, in particular with reference to identification of forecast of future cash flows relating to the period covered by the respective subsidiary's transmission license, debt equity ratio, cost of debt, cost of equity, residual value, etc.

Considering the judgment involved in determination of fair values due to inherent uncertainty and complexity of the assumptions used in determination of fair values, this is considered as a key audit matter.</td><td>Our audit procedures included, among others, the following:

• We obtained an understanding of the Group's process on assessment of impairment of property, plant and equipment and service concession arrangements and the assumptions used by the management, including design and implementation of controls, validation of management review controls. We have tested the operating effectiveness of these controls.

• We obtained and read the valuation report of the Group's independent valuation expert, and assessed the expert's competence, capability and objectivity.

• We evaluated the independent valuation expert's methodology, assumptions and estimates used in the calculations.

• We tested on sample basis that the tariff revenues considered in the respective valuation models are in agreement with TSAs / tariff orders.

• We tested completeness, arithmetical accuracy and validity of the data used in the calculations.

• In performing the above procedures, we involved valuation specialists to perform an independent review of methodology and key assumptions used in the valuation.

• We read and assessed the disclosures included in the notes to the consolidated financial statements.</td></tr>
</table>

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Classification of unit holders' funds as equity</u><u>(as described in Note 26 of the consolidated financial statements)</u></td></tr>
<tr><td>The InvIT is required to distribute to Unitholders not less than ninety percent of its net distributable cash flows for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the InvIT to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instrument which contains both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars No. CIR/IMD/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated November 29, 2016 ("SEBI Circulars") issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated October 20, 2016 dealing with the minimum disclosures for key financial statements.

Considering the judgment required for classification of unit holders' funds as equity, this is considered as a key audit matter.</td><td>Our audit procedures included, among others the following:

• We obtained and read the requirements for classification of financial liability and equity under Ind AS 32 and evaluated the provisions of SEBI Circulars for classification/presentation of unit holders' funds in the financial statements of an Infrastructure Investment Trust.

• We read and assessed the disclosures included in the consolidated financial statements for compliance with the relevant requirements of InvIT regulations.</td></tr>
<tr><td colspan="2"><u>Acquisition of Transmission Special Purpose Vehicles ("SPVs") classified as asset acquisitions</u>
<u>(as described in Note 26 of the consolidated financial statements)</u></td></tr>
<tr><td>The Group acquires operational transmission SPVs from the Sponsor or from third parties. The purchase consideration primarily pertains to the fair value of the transmission assets. All such assets are operational assets with fixed tariff revenues under the Transmission Services Agreements (TSAs) for 25/35 years. The only key activity for these SPVs is the maintenance of the transmission assets which is outsourced to third parties. Generally, there are no employees in these</td><td>Our audit procedures included, among others, the following:

• We read the relevant guidance under Ind AS on determining if the acquired SPV constitutes a business.

• We assessed the activities of the transmission SPVs.</td></tr>
</table>

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>entities and no other significant processes are performed for earning tariff revenues in any of the SPVs except in case of Parbati Koldam Transmission Company Limited wherein there are few employees.
Based on evaluation of the above fact pattern vis-a-vis the guidance on definition of business under Ind AS, including evaluation under the optional concentration test, and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management classified the acquisition of transmission SPVs as asset acquisition.

Considering the management judgement involved in determining if the acquisition of transmission SPVs constitute business or asset, it is considered as a key audit matter.</td><td>• We read and assessed the Group's accounting policy for recognition and classification on acquisition of transmissions SPV's.

• We discussed with the management the key assumptions underlying the Group's assessment and tested the underlying data used for classification made by the Group.

• We read and assessed the disclosures in the consolidated financial statements for compliance with the relevant accounting standards requirements.</td></tr>
<tr><td colspan="2"><u>Classification of Gurgaon Palwal Transmission Limited ("GPTL") and NER-II Transmission Limited ('NER-II') as a subsidiary</u>
<u>(as described in Note 26 of the consolidated financial statements)</u></td></tr>
<tr><td>In the current year, the Group has entered into a share purchase agreement with Sterlite Grid 4 Limited and Sterlite Power Grid Ventures Limited (now merged with Sterlite Power Transmission Limited) (the "Selling shareholders") for -

a. acquisition of equity stake in Gurgaon Palwal Transmission Limited ("GPTL") on August 28, 2020. Pursuant to the Agreement, the Group has finalized purchase consideration for entire equity stake of the Selling shareholders and has paid purchase consideration for acquisition of 49% paid up equity capital in the GPTL. Additionally,</td><td>Our audit procedures included, among others, the following:

• We obtained and read the share purchase agreements with the Selling shareholders for acquisition of equity stake in GPTL and NER II.

• We obtained understanding of management's assessment of whether the Group controls GPTL and NER II.

• We also read and understood the Group's accounting policy for consolidation.

• We discussed with management the contractual terms and rights available to the Group pursuant to the Agreement.</td></tr>
</table>

Key audit matters	How our audit addressed the key audit matter
the Group has also given a non-refundable, interest free advance to the selling shareholders comprising of 51 % of the purchase consideration which would be adjusted with the actual transfer of 51% equity stake; and b. acquisition of equity stake in NER II Transmission Limited ("NER-II") on March 05, 2021 and amended on March 25, 2021. Pursuant to the Agreement, the Group has finalized purchase consideration for entire equity stake of the Selling shareholders and has paid purchase consideration for acquisition of 74% paid up equity capital in the NER-II, out of which shares of 49% have been transferred to the Group and for balance 25% a non-refundable, interest free advance comprising of 25% of the purchase consideration as consideration to acquire 74% of total stake in NER II as at March 31, 2021. The advance of 25% would be subsequently adjusted towards purchase of 25% equity stake in NER II at a later date. Based on the contractual terms in the above agreements, the Group has following rights: • Right to nominate majority of directors on the Board of directors of GPTL / NER II; • Right to direct the Selling shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of GPTL / NER II;	• We read and evaluated the requirements for consolidation of entity and recognition of non-controlling interest under Ind AS 110. • We read and assessed the disclosures included in the consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
• Non-disposal undertaking from the Selling Shareholders for the remaining 51% equity stake in GPTL / NER II; Considering the requirements under Ind AS 110, the Group has assessed whether it controls GPTL / NER II on the basis of the above rights under the Agreement. Accordingly, the Group has consolidated GPTL and NER II as subsidiaries respectively. Considering the judgment required in assessing whether the Group controls GPTL / NER II, this is considered as a key audit matter.	
Disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value as per InvIT regulations *(as described in Note 26 of the consolidated financial statements)*	
The Group is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value pursuant to SEBI circulars issued under the InvIT regulations which requires fair valuation of the assets. Such fair valuation has been carried out by the independent valuer appointed by the the Group. For the purpose of the above, fair value is determined by forecasting and discounting future cash flows. The processes and methodologies for assessing and determining the fair value is based on complex assumptions, that by their nature imply the use of the management's judgment, in particular with reference to identification of forecast of future cash flows relating to the period covered by the respective subsidiary's transmission license, debt equity ratio, cost of debt, cost of equity, residual value, etc. Considering the judgment involved in determination of fair values due to inherent	Our audit procedures included, among others the following: • We read the requirements of InvIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value. • We discussed with the Management and obtained an understating of the Group's policy on the assessment of fair value and the assumptions used by the management, including design and implementation of controls, validation of management review controls. • Obtained understating of the Group's process for preparation statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value as per InvIT regulations and the assumption used by the management, including design and implementation of controls, validation of management review controls. We have tested the operating effectiveness of these controls.

Key audit matters	How our audit addressed the key audit matter
uncertainty and complexity of the assumptions used in determination of fair values, this is considered as a key audit matter.	• We obtained and read the valuation report by the InvIT's independent valuation expert, and assessed the expert's competence, capability and objectivity. • We evaluated independent valuation expert's methodology, assumptions and estimates used in the calculations. • We tested on sample basis that the tariff revenues considered in the respective valuation models are in agreement with TSAs / tariff orders. • We tested completeness, arithmetical accuracy and validity of the data used in the calculations. • In performing the above procedures, we used our valuation specialists to perform an independent review of methodology and key assumptions used in the valuation. • We read and assessed the disclosures included in the notes to the consolidated financial statements.

Other Information

The management of Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited) (the "Investment Manager") is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Consolidated Financial Statements

The Management of the Investment Manager ('the Management') is responsible for the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position as at March 31, 2021, consolidated financial performance including other comprehensive income, consolidated cash movements and the consolidated movement of the unit holders' funds for the year ended March 31, 2021, the consolidated net assets at fair value as at March 31, 2021, the consolidated total returns at fair value of the InvIT and the net distributable cash flows of the InvIT, the underlying HoldCos and each of its subsidiaries in accordance with the requirements of the InvIT regulations; Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India, to the extent not inconsistent with InvIT Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management, as aforesaid.

In preparing the consolidated financial statements, the Board of Directors of the Investment Manager and respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so
The Management and respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the InvIT and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we report that:

(a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss are in agreement with the books of account;

(c) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, to the extent not inconsistent with InvIT regulations.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

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per Huzefa Ginwala
Partner
Membership Number: 111757
UDIN: 2111757AAAACR9245
Place of Signature: Pune
Date: 27 May 2021

INDIA GRID TRUST
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

	Notes	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,63,898.29	1,08,163.16
Capital work-in-progress	4	97.09	-
Financial assets			
i. Other financial assets	6	2,856.18	9.86
Other non-current assets	7	333.31	382.34
		1,67,184.87	**1,08,555.36**
Current assets			
Financial assets			
i. Trade receivables	8	2,976.55	2,458.33
ii. Cash and cash equivalents	9	26,066.29	4,088.41
iii. Bank Balances other than (ii) above	10	1,771.81	1,299.74
iv. Loans to employee	5	0.85	-
v. Other financial assets	6	2,096.22	1,282.63
Other current assets	7	257.91	235.72
		33,169.63	**9,364.83**
Total assets		**2,00,354.50**	**1,17,920.19**
EQUITY AND LIABILITIES			
Equity			
Unit capital	11	53,145.69	53,145.69
Other equity	12		
Retained earnings/(accumulated deficit)		(6,379.84)	(2,659.44)
Other reserves			
Self Insurance Reserve		58.07	-
Equity attributable to Non-controlling interests		1,681.02	-
Total unitholders' equity		**48,504.94**	**50,486.25**
Non-current liabilities			
Financial liabilities			
i. Borrowings	13	1,36,064.70	62,637.00
Employee Benefit Obligations	16	3.94	-
Deferred tax liabilities (net)	19	921.40	602.06
		1,36,990.04	**63,239.06**
Current liabilities			
Financial liabilities			
i. Trade payables	14		
a. Total outstanding dues of micro enterprises and small enterprises		23.25	105.32
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		202.08	227.59
ii. Other financial liabilities	15	14,343.67	3,617.60
Employee Benefit Obligations	16	12.37	-
Other current liabilities	17	278.15	240.27
Current tax liability	18	-	4.10
		14,859.52	**4,194.88**
Total liabilities		**1,51,849.56**	**67,433.94**
Total equity and liabilities		**2,00,354.50**	**1,17,920.19**

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)
(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 27 May 2021

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2021

Swapnil Patil
Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 27 May 2021

Jyoti Kumar Agarwal
Chief Financial Officer
Place : Mumbai
Date : 27 May 2021

INDIA GRID TRUST
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

	Notes	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
INCOME			
Revenue from contracts with customers	20	16,769.19	12,427.13
Income from investment in mutual funds		129.91	190.89
Interest income on investment in fixed deposits		135.77	102.09
Other finance income		13.63	0.32
Other income	21	93.03	65.51
Total income (I)		**17,141.53**	**12,785.94**
EXPENSES			
Employee benefit expenses	22	140.78	1.67
Transmission infrastructure maintenance charges		300.79	240.38
Legal and professional fees		145.38	117.85
Annual listing fee		6.18	6.30
Rating fee		50.71	38.64
Valuation expenses		3.05	4.89
Trustee fee		3.48	3.60
Payment to auditors			
- Statutory audit fees		11.22	7.07
- Tax audit fees		2.14	2.71
- Other services (including certification)		7.77	1.22
Other expenses	23	1,720.26	564.20
Depreciation expense	3	4,304.85	3,101.12
Finance costs	24	6,864.95	4,153.38
Impairment/ (reversal of impairment) of property, plant and equipment and service concession receivable		175.11	(456.96)
Total expenses (II)		**13,736.67**	**7,786.07**
Regulatory Deferral Income (refer note 40) (III)		(15.51)	-
Profit before tax (I-II-III)		**3,420.37**	**4,999.87**
Tax expense			
Current tax	19	49.85	56.96
Deferred tax		24.92	(114.29)
Income tax for earlier years		1.51	-
Tax expense		**76.28**	**(57.33)**
Profit for the year		**3,344.09**	**5,057.20**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		(3.62)	-
Other comprehensive income for the year		**(3.62)**	**-**
Total comprehensive income for the year		**3,347.71**	**5,057.20**
Profit for the year		**3,344.09**	**5,057.20**
Attributable to:			
Unit holders		3,337.09	5,057.20
Non-controlling interests		7.00	-
Other comprehensive income for the year		**(3.62)**	**-**
Attributable to:			
Unit holders		(2.68)	-
Non-controlling interests		(0.94)	-
Total comprehensive income for the year		**3,347.71**	**5,057.20**
Attributable to:			
Unit holders		3,339.76	5,057.20
Non-controlling interests		7.95	-
Earnings per unit			
Basic and diluted	25	5.72	9.13
Computed on the basis of profit for the year (Rs.)			
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)
(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 27 May 2021

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2021

Swapnil Patil
Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 27 May 2021

Jyoti Kumar Agarwal
Chief Financial Officer

Place : Mumbai
Date : 27 May 2021

INDIA GRID TRUST
CONSOLIDATED STATEMENT OF STATEMENT OF CHANGES IN UNIT HOLDERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

A. Unit capital

	Nos. in million	Rs. in million
Balance as at 01 April 2019	283.80	28,380.00
Changes in unit capital during the year (refer note 11)	299.69	25,140.48
Issue expenses (refer note 11)	-	(374.79)
Balance as at 31 March 2020	**583.49**	**53,145.69**
Changes in unit capital during the year	-	-
Issue expenses	-	-
Balance as at 31 March 2021	**583.49**	**53,145.69**

B. Other equity (Rs. in million)

	Attriutable to unitholders			Non-controlling interest	Total other equity
	Other comprehensive income	Retained earnings/ Accumulated deficit	Self Insurance Reserve		
As at 01 April 2019	**-**	**(1,613.89)**	**-**	**-**	**(1,613.89)**
Profit for the year	-	5,057.20	-	-	5,057.20
Less: Distribution during the year (refer note below)	-	(6,102.75)	-	-	(6,102.75)
Total comprehensive income	**-**	**(1,045.55)**	**-**	**-**	**(1,045.55)**
As at 31 March 2020	**-**	**(2,659.44)**	**-**	**-**	**(2,659.44)**
Add: Acquisition of subsidiary	-	-	58.07	1,673.07	1,731.14
Profit for the year	-	3,337.09	-	7.00	3,344.09
Other comprehensive income	2.68	-	-	0.94	3.62
Total comprehensive income	**2.68**	**3,337.09**	**58.07**	**1,681.02**	**5,078.85**
Less: Distribution during the year (refer note below)	-	(7,060.17)	-		(7,060.17)
As at 31 March 2021	**2.68**	**(6,382.52)**	**58.07**	**1,681.02**	**(4,640.75)**

Note:
The distribution relates to the distributions made during the financial year along with the distribution related to the last quarter of FY 2019-20 and does not include the distribution relating to the last quarter of FY 2020-21 which will be paid after 31 March 2021.

The distributions made by IndiGrid to its unitholders are based on the Net Distributable Cash Flows (NDCF) of IndiGrid under the InvIT Regulations and hence part of the same includes repayment of capital as well.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)
(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 27 May 2021

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2021

Swapnil Patil
Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 27 May 2021

Jyoti Kumar Agarwal
Chief Financial Officer
Place : Mumbai
Date : 27 May 2021

INDIA GRID TRUST
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
A. Cash flow from operating activities		
Net profit/ (loss) as per statement of profit and loss	**3,347.71**	**5,057.20**
Adjustment for taxation	76.28	(57.33)
Profit/ (Loss) before tax	**3,423.99**	**4,999.87**
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation expenses	4,304.85	3,101.12
Impairment /(reversal of impairment) of Property Plant & Equipment and service concession	175.11	(456.96)
Foreign exchange loss on borrowing	61.46	62.85
Finance cost	6,864.95	4,090.53
Income from investment in mutual funds	(129.91)	(190.89)
Interest income on investment in fixed deposits	(135.77)	(102.09)
Interest on others	(13.63)	-
Operating profit before working capital changes	**14,551.05**	**11,504.43**
Movements in working capital :		
- trade payables	(151.39)	3.08
- other current financial liabilities	862.04	194.12
- other current liabilities	(20.96)	(378.88)
- trade receivables	1,562.92	31.07
- other non-current financial asset	136.24	(5.82)
- other non-current asset	26.10	(10.72)
- other current financial asset	(407.88)	49.71
- other current assets	27.29	(12.03)
Change in working capital	**2,034.36**	**(129.47)**
Cash generated from operations	**16,585.41**	**11,374.96**
Direct taxes paid (net of refunds)	210.35	(125.92)
Net cash flow from operating activities (A)	**16,795.76**	**11,249.04**
B. Cash flow from investing activities		
Purchase of property plant & equipment (including capital work-in-progress and capital advances)	(54,955.51)	(59,156.47)
Purchase of service concession receivable of subsidiary	(3,128.27)	-
Acquisition of other assets (net of other liabilities)	(670.67)	(779.36)
Acquisition of mutual fund investments	-	(2,604.21)
Interest income on investment in fixed deposits	135.56	41.91
Income from investment in mutual funds	129.91	190.89
Interest on others	13.63	-
Proceeds from mutual funds (net)	-	2,679.93
Investment in fixed deposits (net)	(496.51)	(1,280.08)
Net cash flow from /(used) in investing activities (B)	**(58,971.86)**	**(60,907.39)**
C. Cash flow from financing activities		
Proceeds from issue of unit capital	-	25,140.48
Unit issue expense incurred	-	(374.79)
Proceeds of long term borrowings	54,530.79	28,248.58
Repayment of long term borrowings	(15,764.01)	(273.91)
Acquisition of borrowings	38,807.08	9,600.00
Payment of upfront fees of long term borrowings	(266.53)	(272.91)
Finance costs	(6,095.42)	(3,823.19)
Payment of distributions to unitholders	(7,057.93)	(6,101.16)
Net cash flow used in financing activities (C)	**64,153.98**	**52,143.10**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**21,977.88**	**2,484.75**
Cash and cash equivalents as at beginning of year	4,088.41	1,603.66
Cash and cash equivalents as at year end	**26,066.29**	**4,088.41**

INDIA GRID TRUST
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

Components of cash and cash equivalents:

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Balances with banks:		
- On current accounts	23,101.29	3,467.87
- Deposit with original maturity of less than 3 months	2,965.00	620.54
Total cash and cash equivalents (refer note 9)	**26,066.29**	**4,088.41**

Reconciliation between opening and closing balances for liabilities arising from financing activities (including current maturities) :-

Particulars	Long term borrowings (including current maturities)
01 April 2019	**26,172.27**
Cash flow	
- Interest	(3,823.19)
- Proceeds/(repayments)	37,301.76
Foreign exchange loss on borrowing	209.56
Lease liability	53.34
Accrual	4,090.53
31 March 2020	**64,004.27**
Cash flow	
- Interest	(6,095.42)
- Proceeds/(repayments)	81,701.71
Foreign exchange loss on borrowing	113.40
Lease liability	45.87
Accrual	6,864.95
31 March 2021	**1,46,634.78**

Summary of significant accounting policies 2.1

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)
(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 27 May 2021

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2021

Swapnil Patil
Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 27 May 2021

Jyoti Kumar Agarwal
Chief Financial Officer
Place : Mumbai
Date : 27 May 2021

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2021
DISCLOSURES PURSUANT TO SEBI CIRCULARS
(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the InvIT Regulations)

A. STATEMENT OF NET ASSETS AT FAIR VALUE AS AT

(Rs. in million)

Particulars	**31 March 2021**		**31 March 2020**	
	Book value	**Fair value**	**Book value**	**Fair value**
A. Assets	2,00,354.50	2,37,186.21	1,17,920.19	1,27,100.52
B. Liabilities (at book value)	1,51,849.56	1,51,849.56	67,433.94	67,433.94
C. Net Assets (A-B)	48,504.94	85,336.65	50,486.25	59,666.58
D. Number of units	583.49	583.49	583.49	583.49
E. NAV (C/D)	83.13	146.25	86.52	102.26

Total assets after provision for impairment on investment in subsidiaries determined based on fair valuation. For the purpose of NAV Computation we have considered 100% of the fair valued assets and liabilities of PrKTCL and NER II and the effect of non controlling interest of 26% of the fair valued assets and liabilities is not considered to arrive at the computed NAV.

Project wise breakup of fair value of assets as at **(Rs. in million)**

Project	**31 March 2021**	**31 March 2020**
Bhopal Dhule Transmission Company Limited	20,903.57	18,781.64
Jabalpur Transmission Company Limited	16,340.59	14,490.39
Maheshwaram Transmission Limited	5,984.30	5,466.06
RAPP Transmission Company Limited	4,295.43	4,035.67
Purulia & Kharagpur Transmission Company Limited	6,964.28	6,501.67
Patran Transmission Company Limited	2,622.19	2,386.61
NRSS XXIX Transmission Limited ^	49,275.13	45,382.69
Odisha Generation Phase-II Transmission Limited ^	15,188.55	14,371.15
East North Interconnection Company Limited*	12,821.20	12,581.81
Gurgaon-Palwal Transmission Limited#	12,858.56	-
Jhajjar KT Transco Private Limited#	3,172.87	-
Parbati Koldam Transmission Company Limited#	10,226.37	-
NER II Transmission Limited#	67,695.29	-
Subtotal	**2,28,348.33**	**1,23,997.69**
Assets (in IndiGrid)	8,837.88	3,102.83
Total assets	**2,37,186.21**	**1,27,100.52**

^ The Trust had acquired Indigrid 1 Limited (IG1L) (formerly known as "Sterlite Grid 2 Limited") which is the holding company of NRSS XXIX Transmission Limited ('NTL') and Indigrid 2 Limited (IG2L) (formerly known as "Sterlite Grid 3 Limited") which is the holding company of Odisha Generation Phase-II Transmission Limited ('OGPTL') on 04 June 2019 and 28 June 2019 respectively.

* The Trust acquired East-North Interconnection Company Limited ('ENICL') with effect from 24 March 2020.

In the current year, the Trust has acquired Gurgaon-Palwal Transmission Limited with effect from 28 August 2020, Jhajjar KT Transco Private Limited with effect from 28 September 2020, Parbati Koldam Transmission Company Limited with effect from 08 January 2021 and NER II Transmission Limited with effect from 25 March 2021.

B. STATEMENT OF TOTAL RETURNS AT FAIR VALUE

Particulars	**31 March 2021 (Rs. in million)**	**31 March 2020 (Rs. in million)**
Total comprehensive income (as per the statement of profit and loss)	3,347.71	5,057.20
Add: other changes in fair value (e.g., in property, plant & equipment (if cost model is followed)) not recognized in total comprehensive income	28,286.19	8,545.52
Total Return	**31,633.90**	**13,602.72**

Notes:
1. Fair value of assets as at 31 March 2021 and as at 31 March 2020 and other changes in fair value for the year then ended as disclosed in the above tables are based on fair valuation report issued by the independent valuer appointed under the InvIT regulations.

2. Sensitivity analysis with respect to significant unobservable inputs used in the fair value measurement has been disclosed in Note 27A.

ADDITIONAL DISCLOSURES AS REQUIRED BY PARAGRAPH 6 OF ANNEXURE A TO THE SEBI CIRCULAR NO. CIR/IMD/DF/127/2016

A) Statement of Net Distributable Cash Flows (NDCFs) of India Grid Trust

Description	Year ended 31 March 2021 (Audited)	Year ended 31 March 2020 (Audited)
Cash flows received from the Portfolio Assets in the form of interest	**11,370.40**	**10,114.90**
Cash flows received from the Portfolio Assets in the form of dividend	413.89	-
Any other income accruing at IndiGrid level and not captured above, including but not limited to interest/return on surplus cash invested by IndiGrid	78.30	177.66
Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by IndiGrid	26,912.59	6,752.28
Proceeds from the Portfolio Assets for a capital reduction by way of a buy back or any other means as permitted, subject to applicable law	-	-
Proceeds from sale of assets of the Portfolio Asset not distributed pursuant to an earlier plan to re-invest, or if such proceeds are not intended to be invested subsequently	-	-
Total cash inflow at the IndiGrid level (A)	**38,775.18**	**17,044.84**
Less: Any payment of fees, interest and expense incurred at IndiGrid level, including but not limited to the fees of the Investment Manager and Trustee (refer note i and ii)	(5,206.08)	(2,941.27)
Less: Costs/retention associated with sale of assets of the Portfolio Assets:	-	-
-related debts settled or due to be settled from sale proceeds of Portfolio Assets;	-	-
-transaction costs paid on sale of the assets of the Portfolio Assets; and	-	-
-capital gains taxes on sale of assets/ shares in Portfolio Assets/ other investments.	-	-
Less: Proceeds reinvested or planned to be reinvested in accordance with Regulation 18(7)(a) of the InvIT Regulations	-	-
Less: Repayment of external debt at the IndiGrid level and at the level of any of the underlying portfolio assets/special purpose vehicles (Excluding refinancing)	-	-
Less: Income tax (if applicable) at the standalone IndiGrid level	1.18	(56.96)
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	(25,487.90)	(6,843.29)
Less: Repair work in relation to the projects undertaken by any of the Portfolio Assets	-	-
Total cash outflows / retention at IndiGrid level (B)	**(30,692.80)**	**(9,841.53)**
Net Distributable Cash Flows (C) = (A+B)	**8,082.38**	**7,203.32**

Notes :

i. Does not include interest accrued but not due for quarter ended 31 March 2021 of Rs. 86.51 million, quarter ended 31 March 2020 of Rs. 62.10 million, quarter ended 31 December 2020 of Rs. 98.45 million, year ended 31 March 2021: Rs. 348.47 million and year ended 31 March 2020: Rs. 150.51 million) related to market linked non convertible debentures ('MLDs') which

ii. Does not include Earn - out expenses for the quarter ended 31 March 2021 of Nil, quarter ended 31 December 2020 of Rs. 26.08 million, quarter ended 31 March 2020: Nil, year ended 31 March 2021 of Rs. 117.27 million and year ended March 31, 2020: Nil).

B) Statement of Net Distributable Cash Flows (NDCFs) of underlying Holdcos and SPVs

(i) IndiGrid Limited (formerly known as Sterlite Grid 1 Limited) (Holdco)

Description	Year ended 31 March 2021 (Audited)	Year ended 31 March 2020 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**851.22**	**(884.64)**
Add: Depreciation, impairment and amortisation	(1,481.96)	436.45
Add/Less: Decrease/(increase) in working capital	50.50	4.93
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	638.24	621.04
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(21.92)	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	(157.16)	(160.15)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**(972.29)**	**902.27**
Net Distributable Cash Flows (C) = (A+B)	**(121.07)**	**17.63**

(ii) Bhopal Dhule Transmission Company Limited (BDTCL) (SPV)

Description	Year ended 31 March 2021 (Audited)	Year ended 31 March 2020 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**97.41**	**(285.62)**
Add: Depreciation, impairment and amortisation	704.88	707.04
Add/Less: Decrease/(increase) in working capital	110.82	(80.41)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	1,321.63	1,305.15
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(85.26)	(0.82)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	40.40	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on interest free loan or other debentures;	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
	-	
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	3.75	4.10
Loss on account of MTM of F/W & ECB	113.40	62.85
Non Cash Income - Reversal of Prepayment penalty		-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	(43.79)	(120.95)
Total Adjustments (B)	**2,165.83**	**1,876.96**
Net Distributable Cash Flows (C) = (A+B)	**2,263.24**	**1,591.34**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(iii) Jabalpur Transmission Company Limited (JTCL) (SPV)

Description	Year ended 31 March 2021 (Audited)	Year ended 31 March 2020 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**329.75**	**(1,103.49)**
Add: Depreciation, impairment and amortisation	(1,617.83)	(34.43)
Add/Less: Decrease/(increase) in working capital	131.83	137.41
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	2,729.80	2,541.68
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(25.16)	(21.08)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**1,218.64**	**2,623.58**
Net Distributable Cash Flows (C) = (A+B)	**1,548.39**	**1,520.09**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(iv) Maheshwaram Transmission Limited (MTL) (SPV)

Description	Year ended 31 March 2021 (Audited)	Year ended 31 March 2020 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(157.52)**	**(146.04)**
Add: Depreciation, impairment and amortisation	121.77	121.78
Add/Less: Decrease/(increase) in working capital	18.09	(8.21)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	581.70	568.58
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(1.64)	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**719.92**	**682.15**
Net Distributable Cash Flows (C) = (A+B)	**562.40**	**536.11**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(v) RAPP Transmission Company Limited (RTCL) (SPV)

Description	Year ended 31 March 2021 (Audited)	Year ended 31 March 2020 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**10.80**	**27.39**
Add: Depreciation, impairment and amortisation	85.65	85.66
Add/Less: Decrease/(increase) in working capital	39.98	(31.37)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	334.02	345.17
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(7.54)	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**452.11**	**399.46**
Net Distributable Cash Flows (C) = (A+B)	**462.91**	**426.85**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(vi) Purulia & Kharagpur Transmission Company Limited (PKTCL) (SPV)

Description	Year ended 31 March 2021 (Audited)	Year ended 31 March 2020 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(22.74)**	**(21.19)**
Add: Depreciation, impairment and amortisation	142.88	142.89
Add/Less: Decrease/(increase) in working capital	53.63	0.13
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	583.68	592.69
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(3.93)	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**776.26**	**735.71**
Net Distributable Cash Flows (C) = (A+B)	**753.52**	**714.52**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(vii) Patran Transmission Company Limited (PTCL) (SPV)

Description	Year ended 31 March 2021 (Audited)	Year ended 31 March 2020 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(144.84)**	**(168.14)**
Add: Depreciation, impairment and amortisation	180.98	205.58
Add/Less: Decrease/(increase) in working capital	14.04	(7.94)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	258.78	236.71
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(7.00)	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);		-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**446.80**	**434.35**
Net Distributable Cash Flows (C) = (A+B)	**301.96**	**266.21**

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(viii) IndiGrid 1 Limited (formerly known as Sterlite Grid 2 Limited) (Holdco)

Description	Year ended 31 March 2021 (Audited)	04 June 2019* to 31 March 2020 (Audited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(172.27)**	**(129.37)**
Add: Depreciation, impairment and amortisation	-	-
Add/Less: Decrease/(increase) in working capital	19.10	(292.84)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	171.54	127.71
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
	-	-
Less: Capital expenditure, if any	-	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**190.64**	**(165.13)**
Net Distributable Cash Flows (C) = (A+B)	**18.37**	**(294.50)**

* Being the date of acquisition by IndiGrid.

^ Regrouped

(ix) NRSS XXIX Transmission Limited (NRSS) (SPV)

Description	Year ended 31 March 2021 (Audited)	04 June 2019* to 31 March 2020 (Audited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**28.31**	**598.65**
Add: Depreciation, impairment and amortisation	828.58	683.93
Add/Less: Decrease/(increase) in working capital	243.04	(456.11)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	4,099.21	3,484.61
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
		-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
		-
		-
Less: Capital expenditure, if any	(9.55)	(3.17)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	(12.70)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	
-deferred tax;	54.61	(95.30)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	
Amortization of Upfront fees	-	
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
		-
		-
Total Adjustments (B)	**5,203.19**	**3,613.96**
Net Distributable Cash Flows (C) = (A+B)	**5,231.50**	**4,212.61**

* Being the date of acquisition by IndiGrid.

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(x) IndiGrid 2 Limited (formerly known as Sterlite Grid 3 Limited) (Holdco)

Description	Year ended 31 March 2021 (Audited)	28 June 2019* to 31 March 2020 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(87.95)**	**785.52**
(pertaining to period post acquisition by IndiGrid)		^
Add: Depreciation, impairment and amortisation	-	(895.96)
Add/Less: Decrease/(increase) in working capital	36.39	0.96
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	89.55	109.20
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
	-	-
Less: Capital expenditure, if any	-	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)		
	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender’s agreement)	-	-
Amortization of Upfront fees	-	
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**125.94**	**(785.80)**
Net Distributable Cash Flows (C) = (A+B)	**37.99**	**(0.28)**

* Being the date of acquisition by IndiGrid.

^ Regrouped

(xi) Odisha Generation Phase-II Transmission Limited (OGPTL) (SPV)

Description	Year ended 31 March 2021 (Audited)	28 June 2019* to 31 March 2020 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(79.36)**	**626.45**
(pertaining to period post acquisition by IndiGrid)		
Add: Depreciation, impairment and amortisation	381.40	(428.76)
Add/Less: Decrease/(increase) in working capital	193.14	(75.77)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	905.67	621.56
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(4.37)	0.11
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender’s agreement)	-	-
Amortization of Upfront fees	1.25	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	(13.59)	-
Total Adjustments (B)	**1,463.51**	**117.14**
Net Distributable Cash Flows (C) = (A+B)	**1,384.15**	**743.59**

* Being the date of acquisition by IndiGrid.

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xii) East-North Interconnection Company Limited (ENICL)(SPV)

Description	Year ended 31 March 2021 (Audited)	24 March 2020* to 31 March 2020 (Unaudited) (refer note 2)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(105.97)**	**0.65**
Add: Depreciation, impairment and amortisation	556.58	12.27
Add/Less: Decrease/(increase) in working capital	141.10	14.69
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	310.10	-
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-	-
-related debts settled or due to be settled from sale proceeds;	-	-
-directly attributable transaction costs;	-	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(3.20)	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
-deferred tax;	-	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-	-
Amortization of Upfront fees	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-	-
Total Adjustments (B)	**1,004.58**	**26.96**
Net Distributable Cash Flows (C) = (A+B)	**898.61**	**27.61**

* Being the date of acquisition by IndiGrid.

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xiii) Gurgaon-Palwal Transmission Limited (GPTL) (SPV)

Description	28 August 2020* to 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(64.16)**
Add: Depreciation, impairment and amortisation	210.11
Add/Less: Decrease/(increase) in working capital	120.94
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	252.70
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-
Less: Capital expenditure, if any	0.02
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	(1.10)
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	(21.68)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	117.56
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	(0.00)
Total Adjustments (B)	**678.54**
Net Distributable Cash Flows (C) = (A+B)	**614.38**

* Being the date of acquisition by IndiGrid.

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xiv) Jhajjar KT Transco Private Limited (JKTPL) (SPV)

Description	28 September 2020* to 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**(7.82)**
(pertaining to period post acquisition by IndiGrid)	
Add: Depreciation, impairment and amortisation	-
Add/Less: Decrease/(increase) in working capital	46.19
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	150.59
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-
Less: Capital expenditure, if any	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	(2.40)
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	2.01
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
Total Adjustments (B)	**196.39**
Net Distributable Cash Flows (C) = (A+B)	**188.57**

* Being the date of acquisition by IndiGrid.

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xv) Parbati Koldam Transmission Company Limited (PrKTCL) (SPV)

Description	08 January 2021* to 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A)	**69.09**
(pertaining to period post acquisition by IndiGrid)	
Add: Depreciation, impairment and amortisation	88.92
Add/Less: Decrease/(increase) in working capital	156.63
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	-
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-
Less: Capital expenditure, if any	(7.73)
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
	(13.06)
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	(1.87)
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	(89.64)
Total Adjustments (B)	**133.24**
Net Distributable Cash Flows (C) = (A+B)	**202.34**

* Being the date of acquisition by IndiGrid.

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

(xvi) NER II Transmission Limited (NER) (SPV)

Description	25 March 2021* to 31 March 2021 (Audited)
Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)	**(46.47)**
Add: Depreciation, impairment and amortisation	14.14
Add/Less: Decrease/(increase) in working capital	(62.13)
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid	58.13
Add/less: Loss/gain on sale of infrastructure assets	-
Add: Proceeds from sale of infrastructure assets adjusted for the following:	-
-related debts settled or due to be settled from sale proceeds;	-
-directly attributable transaction costs;	-
-proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-
Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-
Less: Capital expenditure, if any	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)	-
-any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-
-interest cost as per effective interest rate method (difference between accrued and actual paid);	-
-deferred tax;	-
-unwinding of Interest cost on Non convertible debentures issued at interest rate lower than market rate of interest	-
-portion reserve for major maintenance which has not been accounted for in profit and loss statement;	-
-reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement)	-
Amortization of Upfront fees	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements	-
Total Adjustments (B)	**10.14**
Net Distributable Cash Flows (C) = (A+B)	**(36.33)**

* Being the date of acquisition by IndiGrid.

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

1. Group information

The consolidated financial statements comprise financial statements of India Grid Trust ("the Trust" or "IndiGrid") and its subsidiaries (collectively, the Group) for the year ended March 31, 2021. IndiGrid is an irrevocable trust settled by Sterlite Power Grid Ventures Limited (the "Sponsor") on October 21, 2016 pursuant to the Trust Deed under the provisions of the Indian Trusts Act, 1882 and registered with Securities Exchange Board of India ("SEBI") under the SEBI (Infrastructure Investment Trust) Regulations, 2014 as an Infrastructure Investment Trust on November 28, 2016 having registration number IN/InvIT/16-17/0005. The Trustee of IndiGrid is Axis Trustee Services Limited (the "Trustee"). The Investment manager for IndiGrid is Indigrid Investment Managers Limited (the "Investment Manager" or the "Management").

The objectives of IndiGrid are to undertake activities as an infrastructure investment trust in accordance with the provisions of the InvIT Regulations and the Trust Deed. The principal activity of IndiGrid is to own and invest in power transmission assets in India with the objective of producing stable and sustainable distributions to unitholders.

As at March 31, 2021, IndiGrid has following project entities which are transmission infrastructure projects developed on Build, Own, Operate and Maintain ('BOOM') basis:

1. Bhopal Dhule Transmission Company Limited ('BDTCL')
2. Jabalpur Transmission Company Limited ('JTCL')
3. RAPP Transmission Company Limited ('RTCL')
4. Purulia & Kharagpur Transmission Company Limited ('PKTCL')
5. Maheshwaram Transmission Limited ('MTL')
6. Patran Transmission Company Limited ('PTCL')
7. NRSS XXIX Transmission Limited ('NTL')
8. Odisha Generation Phase-II Transmission Limited ('OGPTL')
9. East-North Interconnection Company Limited ('ENICL')
10. Gurgaon-Palwal Transmission Limited ('GPTL')
11. Parbati Koldam Transmission Company Limited ('PrKTCL')
12. NER II Transmission Limited ('NER')

As at March 31, 2021, IndiGrid has following project entities which are transmission infrastructure projects developed on Build, Operate and Transfer ('BOT') basis:

1. Jhajjar KT Transco Private Limited ('JKTPL')

These SPVs have executed Transmission Services Agreements ("TSAs") with Long term transmission customers under which the SPVs have to maintain the transmission infrastructure for 35-25 years post commissioning.

The address of the registered office of the Investment Manager is Maker Maxity, 5 North Avenue, Level 5, Bandra Kurla Complex, Bandra East Mumbai Maharashtra, India 400 051. The consolidated financial statements were authorised for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on 26 May 2021.

2. Significant Accounting Policies

2.1 Basis of preparation

The consolidated financial statements comprise of the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Unit Holders' Equity for the year then ended and the Consolidated Statement of Net Assets at fair value as at March 31, 2021 and the Consolidated Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCFs') of the Trust, the underlying holding company ("HoldCo") and each of its subsidiaries for the year then ended and a summary of significant accounting policies and other explanatory notes prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015(as amended), prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") read with SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations").

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets measured at fair value (e.g. Liquid mutual funds)

The consolidated financial statements are presented in Indian Rupees Millions, except when otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries as at 31 March 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent, i.e., year ended on 31 March.

Consolidation procedure:

(a). Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

(b). Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c). Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 *Income Taxes* applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the unit holders of the Trust and to the non-controlling interests (if any), even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.3 Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Group in preparing its consolidated financial statements:

a) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group has identified twelve months as its operating cycle.

b) Foreign currencies

The Group's consolidated financial statements are presented in INR, which is its functional currency. The Group does not have any foreign operation.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

c) Fair value measurement

The Group measures financial instruments such as mutual funds at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In estimating the fair value of transmission assets/projects, the Group engages independent qualified external valuers to perform the valuation. The management works closely with the external valuers to establish the appropriate valuation techniques and inputs to the model. The management in conjunction with the external valuers also compares the change in fair value with relevant external sources to determine whether the change is reasonable. The management reports the valuation report and findings to the Board of the Investment Manager half yearly to explain the cause of fluctuations in the fair value of the transmission projects.

At each reporting date, the management analyses the movement in the values of assets and liabilities which are required to be re-measured or reassessed as per the Group’s accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy
- Disclosures for valuation methods, significant estimates and assumptions
- Financial instruments (including those carried at amortised cost)

d) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

Power transmission services

Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCs for periods of 35 years. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs. The Group's performance obligation under the TSAs is to provide power transmission services. The performance obligation is satisfied over time as the customers receive and consume the benefits provided by the Group's performance as the Group performs. Accordingly, the revenue from power transmission services is recognised over time based on the transmission asset availabilities and the tariff charges approved under the respective CERC tariff orders and includes unbilled revenues accrued up to the end of the accounting period. The payment is generally due within 60 days upon receipt of monthly invoice by the customer.

Regulatory Assets and revenue:

The group determines revenue gap for the period (i.e shortfall in actual returns over assured returns) based on the principles laid down under the CERC regulations and tariff orders issued by CERC. In respect of such revenue gaps, appropriate adjustments, have been made for the respective periods on a conservative basis in accordance with accounting policies and the requirement of Ind AS 114, "regulatory deferral accounts" read with guidance note on rate regulated activities issued by Institute of Chartered Accountants of India. ("ICAI")

Service Concession Arrangements:

The group through one of its subsidiaries also has operating and maintaining the power transmission system including sub-station constructed to provide services for a specified period of time in accordance with the transmission agreement entered into with the grantor.

Under Appendix D to lnd AS 115, this arrangement is considered as Service Concession Arrangement and in accordance with para 16 of the Appendix D to Ind AS 115, rights to receive the consideration from the grantor for providing services has been recognised as "financial assets".

Finance Income for Service Concession Arrangements under finance assets model is recognised using effective interest rate method. Revenue from operations and maintenance services are separately recognised in each period as and when services are rendered.

Contract balances

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Amounts which have been billed to the customers are disclosed as Trade receivables and amounts which are to be billed to the customers (and not conditional on the group's future performance) are disclosed under Other financial assets. Refer accounting policies for financial assets in Financial instruments – initial recognition and subsequent measurement.

e) Interest income/Dividend income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Income from dividend on investments is accrued in the year in which it is declared, whereby the Group's right to receive is established.

f) Taxation

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/value added/goods and service taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/value added/goods and service taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

g) Property, plant and equipment

Capital work in progress, property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. No decommissioning liabilities are expected or be incurred on the assets of plant and equipment.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction costs to the extent the expenditure can be attributable to construction activity or is incidental there to. Income earned during the construction period is deducted from the total of the indirect expenditure.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset Category	Useful Life considered	Useful life (Schedule II#)
Leasehold improvements	Lease Period*	30
Buildings (substation)	25	30
Substations	25-35	40
Transmission lines (including components)	25-35	40
Plant and machinery	2-5	15
Data Processing Equipment (Computers)	3-5	3-6
Furniture and Fittings	5-7.5	10
Office equipment's	4-5	3
Motor Vehicles	8	8
Roads	10	10

Schedule II to the Companies Act, 2013 which is applicable to the subsidiary companies.
*Leasehold improvements are depreciated over the useful life of the asset or the lease period, whichever is lower

The Group, based on technical assessments made by technical experts and management estimates, depreciates buildings (substation) and certain items of plant and equipment, data processing equipment, furniture and fittings, office equipment and vehicles over estimated useful lives which are different from the useful lives prescribed in Schedule II to the Companies Act, 2013 which is applicable to the subsidiary companies. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

i) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Office Premises 5 years

Lease Liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Interest-bearing loans and borrowings (see Note 32).

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is accounted on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

j) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculations on detailed budget and forecast calculations. These budgets are prepared for the entire project life.

Impairment losses of continuing operations are recognised in the statement of profit and loss

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

k) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (d) Revenue from contracts with customers.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

i. Debt instruments at amortised cost
ii. Debt instruments at fair value through other comprehensive income (FVTOCI)
iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost
A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instrument at FVTOCI
A 'debt instrument' is classified as FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, interest income, impairment losses and reversals and foreign exchange gain or loss are recognised in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Group does not have any financial assets which are subsequently measured at FVTOCI.

Debt instrument at FVTPL
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Equity investments
All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets
Majority of the financial assets of the Group which are not reflected at fair value pertain to trade and other receivables. Considering the nature of business, the Group does not foresee any credit risk on its trade and other receivables which may cause an impairment. Also, the Group does not have any history of impairment of trade and other receivables.

For the financial assets which are reflected at fair value, no further impairment allowance is necessary as they reflect the fair value of the relevant financial asset itself.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include borrowings and related costs, trade and other payables and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Embedded derivatives
An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets
The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	**Revised Classification**	**Accounting Treatment**
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit or loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit or loss at the reclassification date.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

m) Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Since the Group does not meet the strict criteria for hedge accounting, it has not applied hedge accounting in respect of its derivative contracts.

n) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Group’s cash management.

o) Cash distribution to unit holders

The Group recognises a liability to make cash distributions to unit holders when the distribution is authorised and a legal obligation has been created. As per the InvIT Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

p) Earnings per unit

Basic earnings per unit is calculated by dividing the net profit or loss attributable to unit holders of the Trust (after deducting preference dividends and attributable taxes if any) by the weighted average number of units outstanding during the period. The weighted average number of units outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, split, and reverse split (consolidation of units) that have changed the number of units outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per unit, the net profit or loss for the period attributable to unit holders of the Trust and the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

q) Self-Insurance reserve

Self-insurance reserve is created at 0.1% p.a. of Gross Block of PPE as at the end of the year by appropriating current year profit towards future losses which may arise from un-secured risks and taking care of contingencies in future by procurement of towers and other transmission line materials including strengthening of towers.

Changes in accounting policies and disclosures

Other Amendments to Standards, which are either not applicable to the Group or the impact is not expected to be material

Amendments to Ind AS 116: Leases

Amendments to Ind AS 103: Business Combinations

Amendments to Ind AS 107 and 109 : Financial Instruments Disclosures and Financial Instruments

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2021

Note 3: Property, plant and equipment

Particulars	Freehold land	Lease hold land	Building - office (leasehold improvements)	Building - Substations	Substations	Transmission lines	Plant and machinery	Data processing equipments	Furniture and fitting	Office equipment	Vehicle	Road	Right of use (refer note (a) below)	Total
Gross block														
As at 01 April 2019	112.28	89.86	0.59	119.83	7,984.86	44,916.19	5.95	1.37	1.24	1.71	0.45	5.57	-	53,239.90
Additions	-	-	-	-	-	42.07	-	1.59	0.81	0.05	1.32	-	53.67	99.51
Additions on account of acquisition (refer note 26)	9.29	-	-	-	8,265.89	52,619.97	0.15	0.29	0.39	2.76	2.47	-	-	60,901.21
Disposals	-	-	-	-	-	(24.39)	-	-	-	(0.01)	-	-	-	(24.40)
As at 31 March 2020	**121.57**	**89.86**	**0.59**	**119.83**	**16,250.75**	**97,553.84**	**6.10**	**3.25**	**2.44**	**4.51**	**4.24**	**5.57**	**53.67**	**1,14,216.22**
Additions	-	-	1.35	-	102.09	2,466.20	0.12	7.84	0.52	1.18	-	-	-	2,579.31
Additions on account of acquisition (refer note 26)	651.88	-	-	102.68	14,243.50	42,499.56	0.62	0.06	5.81	7.36	-	-	-	57,511.47
Disposals	-	-	-	-	(57.84)	(3.48)	(0.26)	(0.01)	(0.13)	(0.02)	-	-	-	(61.74)
Adjustments for Present Value	-	-	-	-	-	-	-	-	-	-	-	-	(1.34)	(1.34)
As at 31 March 2021	**773.45**	**89.86**	**1.94**	**222.51**	**30,538.50**	**1,42,516.13**	**6.58**	**11.14**	**8.64**	**13.03**	**4.24**	**5.57**	**52.33**	**1,74,243.92**
Depreciation														
As at 01 April 2019	-	6.44	0.06	7.96	553.52	2,838.00	1.90	0.92	0.53	0.95	0.15	1.85	-	3,412.28
Charge for the year	-	3.51	0.01	9.22	620.75	2,460.48	0.56	0.31	0.58	1.33	0.50	1.20	2.67	3,101.12
Impairment / (reversal), net (refer note 26)	-	-	-	-	-	(456.96)	-	-	-	-	-	-	-	(456.96)
Disposals	-	-	-	-	-	(3.38)	-	-	-	-	-	-	-	(3.38)
As at 31 March 2020	**-**	**9.95**	**0.07**	**17.18**	**1,174.27**	**4,838.14**	**2.46**	**1.23**	**1.11**	**2.28**	**0.65**	**3.05**	**2.67**	**6,053.06**
Charge for the year	-	3.52	0.06	6.21	559.67	3,717.85	0.80	1.95	0.86	2.61	0.93	-	10.39	4,304.85
Disposals	-	-	-	-	(12.28)	-	-	-	-	-	-	-	-	(12.28)
As at 31 March 2021	**-**	**13.47**	**0.13**	**23.39**	**1,721.66**	**8,555.99**	**3.26**	**3.18**	**1.97**	**4.89**	**1.58**	**3.05**	**13.06**	**10,345.63**
Net Block														
As at 31 March 2020	**121.57**	**79.91**	**0.52**	**102.66**	**15,076.48**	**92,715.70**	**3.64**	**2.02**	**1.33**	**2.23**	**3.59**	**2.52**	**51.00**	**1,08,163.16**
As at 31 March 2021	**773.45**	**76.39**	**1.81**	**199.12**	**28,816.84**	**1,33,960.13**	**3.32**	**7.97**	**6.67**	**8.14**	**2.66**	**2.52**	**39.27**	**1,63,898.29**

Note a: Certain property, plant and equipment of the Group has been pledged for the borrowing taken by the Group. Also refer note 13.

Note b: Right-of-use asset

The Group has taken office building on lease which has lease term of 5 years with lock-in-period of 3 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The lease liability has been measured by using the incremental borrowing rate.

Particulars	Right-of-use asset	Lease Liabilities
As at 1 April 2019	**-**	**-**
Additions	53.67	52.16
Depreciation expense	2.67	-
Interest expense	-	1.18
Cash outflow for lease	-	-
As at 31 March 2020	**51.00**	**53.34**
Additions	-	-
Adjustments for Present Value	(1.34)	(1.34)
Depreciation expense	10.39	-
Interest expense	-	4.49
Cash outflow for lease	-	(10.62)
As at 31 March 2021	**39.27**	**45.87**

Note 4: Capital work-in-progress

Particulars	Amount
As at 01 April 2019	**-**
Additions	-
Disposals	-
As at 31 March 2020	**-**
Additions	97.09
Disposals	-
As at 31 March 2021	**97.09**

Capital work-in-progress includes amount of Rs. 34.59 million (31 March 2020 : Nil) pertaining to office improvements work in progress, Rs. 60.61 million (31 March 2020 : Nil) pertaining to defect rectification work undertaken at subsidiary level and Rs. 1.89 million (31 March 2020 : Nil) pertaining to software related projects in progress.

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2021

Note 5: Loans (unsecured, considered good)

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Current		
Education loan to employees	0.85	-
Total	**0.85**	**-**

Note 6: Other financial assets

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Non-Current		
Service Concession Receivable (refer note 26)	3,178.09	-
Less : Provision for expected credit loss	(182.63)	-
Less : Provision for impairment (refer note 26)	(175.11)	
	2,820.35	-
Security deposits	10.40	8.87
Other bank balances (refer note 10)	25.43	0.99
Total	**2,856.18**	**9.86**
Current		
Unbilled revenue*	1,849.31	1,191.66
Service Concession Receivable	132.81	-
Advances receivable in cash or kind	44.33	2.27
Interest accrued on deposits	64.80	64.59
Security deposits	-	0.03
Insurance claim receivable#	-	14.15
Others	4.96	9.93
Total	**2,096.22**	**1,282.63**

* Unbilled revenue is the transmission charges for the month of March 2021 amounting to Rs. 1,849.31 million (31 March 2020 : Rs. 1,191.66 million) billed to transmission utilities in the month of April 2021.

On 8 June 2019, the Jabalpur-Bina transmission line ('JB Line') of Jabalpur Transmission Company Limited ('JTCL') was rendered inoperable due to a storm which damaged certain towers of the transmission line. The carrying amount of assets destroyed amounting to Rs. 21.25 million which was derecognised. JTCL had a valid insurance policy which covers the reinstatement cost for the above loss and it had filed an insurance claim with the insurer. Pending final approval of claim by the insurers, an amount equivalent to the derecognised assets charged to the statement of profit and loss was recognised as receivable from the insurance company based on the probability of recovery of the claim by the Group.

Note 7: Other assets

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Non-Current		
Capital advances (unsecured, considered good)	60.98	10.83
Less: Provision for doubtful advances	(10.83)	(10.83)
	50.15	-
Advance income tax, including TDS (net of provisions)	144.30	217.38
Deposits paid under dispute (refer note 31)	138.81	164.91
Others	0.05	0.05
Total	**333.31**	**382.34**
Current		
Prepaid expenses	143.82	138.28
Balance with statutory authority	89.15	93.13
Advance Gratuity Fund (refer note 37)	5.16	
Others	19.78	4.31
Total	**257.91**	**235.72**

Note 8: Trade receivables

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Trade receivables	2,972.70	2,458.33
Receivables from related parties (refer note 28)	3.85	-
Total	**2,976.55**	**2,458.33**
Current portion	2,976.55	2,458.33
Non-current portion	-	-
Break-up of security details:		
-Unsecured, considered good	2,976.55	2,458.33
-Trade receivables which have significant increase in credit risk	-	-
-Trade receivables - credit impaired	-	-

1. No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director, or a member.
2. Trade Receivables includes Rs. 734.47 million billed on NTPC for the period from the readiness of the Transmission Lines to the date of actual Power Flow. As per the order issued by the CERC, tariff for this is period was to be paid by NTPC. NTPC has filed appeal with the Appellate Tribunal of Electricity against the order of the CERC. NTPC has also filed a stay application against the bill raised by the Parbati Koldam Transmission Company Limited ('PrKTCL'). APTEL has admitted the stay application and asked no coercive action should be taken place till the hearing of the said application. The said Interim Application is listed for hearing on 04 August 2021. Further, PrKTCL has provided amount payable to beneficiaries corresponding to the above recoverable amount and according to the prevailing practice the amount shall be paid as and when the same is realised from NTPC. Accordingly, in the instance of non-recoverability of aforesaid amount there would be no financial impact on PrKTCL hence no provision is created on account of uncertainty in realisation of such recoverable amount. Interest recoverable/payable on these amounts shall be accounted for on actuality in view of uncertainty involved.
3. Trade receivables are non-interest bearing and are generally on terms of 60 days
4. Refer Note 35 on credit risk of trade receivables, which explains how the Group manages and measures credit quality of trade receivables that are neither past due nor impaired.

Note 9: Cash and cash equivalents

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Balance with banks		
- in current accounts ^	23,101.29	3,467.87
Deposit with original maturity of less than 3 months #	2,965.00	620.54
Total	**26,066.29**	**4,088.41**

Balances with banks on current accounts does not earn interest. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash-requirement of the Trust and earn interest at the respective deposit rates.

^ Out of total amount, Rs. 9.35 million (31 March 2020: Rs. 7.34 million) pertains to unclaimed distribution to unitholders.

Includes amount of Rs. 2,566.70 million (31 March 2020: Nil) is kept in Interest Service Reserve Account ('ISRA') as per borrowing agreements with lenders.

Note 10: Other bank balances

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Non-Current		
Bank deposits with remaining maturity of more than 12 months	25.43	0.99
Amount disclosed under head ''other non current financial asset" (refer note 6)	(25.43)	(0.99)
Total	**-**	**-**
Current		
Deposit with original maturity for more than 3 months but less than 12 months	959.01	1,299.74
Deposit with original maturity for more than 12 months	812.80	-
Total	**1,771.81**	**1,299.74**

Details of lien marked deposits:

1. Rs. 653.16 million (31 March 2020: Rs. 1,244.20 million) is kept in interest service reserve account ('ISRA')/debt service reserve account ('DSRA') as per borrowing agreements with lenders.
2. Rs. 291.10 million (31 March 2020: Rs. 19.69 million) held as lien by bank against bank guarantees.
3. Rs. 55.00 million (31 March 2020: Nil) earmarked against self insurance reserve.
4. Rs. 0.05 million (31 March 2020: Nil) pledged with Sales Tax Department.

Note 11: Unit Capital

	Number of units (In million)	Amount (Rs. in million)
As at 01 April 2019	**283.80**	**28,380.00**
Issued during the year (refer note below)	299.69	25,140.48
Issue expenses (refer note below)	-	(374.79)
As at 31 March 2020	**583.49**	**53,145.69**
Issued during the period	-	-
As at 31 March 2021	**583.49**	**53,145.69**

Note:
During the previous year ended 31 March 2020, the Trust raised Rs. 25,140.48 million of primary capital through a qualified institutional placement of units. The Trust issued and allotted 299,683,881 units at a price of Rs. 83.89 per unit as per the placement agreement dated 04 May 2019. Issue expenses of Rs. 374.79 million incurred in connection with issue of units have been reduced from the Unitholders capital as at 31 March 2020 in accordance with Ind AS 32 Financial Instruments: Presentation.

a. Terms/rights attached to units
The Trust has only one class of units. Each unit represents an undivided beneficial interest in the Trust. Each holder of unit is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in every six months in each financial year in accordance with the InvIT Regulations. The Investment Manager approves distributions. The distribution will be in proportion to the number of units held by the unitholders. The Trust declares and pays distribution in Indian rupees.

A unitholder has no equitable or proprietary interest in the projects of IndiGrid and is not entitled to any share in the transfer of the projects (or any part thereof) or any interest in the projects (or any part thereof) of IndiGrid. A unitholder's right is limited to the right to require due administration of IndiGrid in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

b. Unitholders holding more than 5 percent Units in the Trust

	31 March 2021		31 March 2020	
	(Nos. in million)	(Rs. in million)	(Nos. in million)	(Rs. in million)
Esoteric II Pte. Limited	136.04	23.31%	136.04	23.31%
Government of Singapore	116.82	20.02%	116.82	20.02%
Larsen And Toubro Limited	36.68	6.29%	-	0.00%
Sterlite Power Transmission Limited *	2.04	0.35%	87.55	15.00%

c. The Trust has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of incorporation till the balance sheet date. Further the Trust has not issued any units for consideration other than cash from the date of incorporation till the balance sheet date.

* Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL').

Note 12: Other Equity

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Retained earnings		
Balance as per last financial statements	(2,659.44)	(1,613.89)
Add: Profit for the year attributable to unitholders'	3,339.76	5,057.20
Less: Distribution paid to unitholders	(7,060.17)	(6,102.75)
Closing balance	**(6,379.84)**	**(2,659.44)**
Self Insurance Reserve (refer note (i) below)		
Balance as per last financial statements	-	-
Additions during the year through acquisition	58.07	-
Closing balance	**58.07**	**-**

(i) Self Insurance reserve is created @ 0.1% p.a. on Gross Block of Fixed Assets (except assets covered under any other insurance policy) of Parbati Koldam Transmission Company Limited (PrKTCL) as at the end of the year by appropriating current year profit towards future losses which may arise from un-insured risks and taking care of contingencies in future by procurement of towers and other transmission line materials including strengthening of towers.

Note 13: Long term borrowings

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Non-Current		
Debentures		
7.11% Non-convertible debentures (secured) (refer note A below)	4,350.00	4,350.00
8.60% Non-convertible debentures (secured) (refer note A below)	2,500.00	2,500.00
8.40% Non-convertible market linked debentures (secured) (refer note B below)	1,702.19	1,725.66
9.00% Non-convertible market linked debentures (secured) (refer note B below)	1,976.71	2,100.12
8.85% Non-convertible debentures (secured) (refer note A below)	1,980.06	1,969.00
9.10% Non-convertible debentures (secured) (refer note A below)	16,925.60	16,887.38
8.40% Non-convertible debentures (secured) (refer note A and (i) below)	3,496.51	-
7.85% Non-convertible debentures (secured) (refer note E)	6,560.00	6,710.00
7.40% Non-convertible debentures (secured) (refer note A and (i) below)	992.09	-
7.00% Non-convertible debentures (secured) (refer note A and (i) below)	2,496.17	-
7.25% Non-convertible debentures (secured) (refer note A and (i) below)	1,493.30	-
8.50% Non-convertible debentures (secured) (refer note A and (i) below)	3,974.08	-
7.25% Non-convertible debentures (secured) (refer note C and (i) below)	26,498.93	-
	74,945.64	**36,242.16**
Lease liabilities (refer note 34)	**32.12**	**45.87**
Term loans		
Indian rupee loan from banks (secured) (refer note D, F, G, H, I, J and (ii) below)	45,075.91	24,056.61
Indian rupee loan from financial institution (secured)	13,991.34	2,292.36
Foreign currency loan from financial institution (secured)	2,019.68	-
	61,086.94	**26,348.97**
Total	**1,36,064.70**	**62,637.00**
The above amount includes		
Secured borrowings	1,36,032.58	62,591.13
Unsecured borrowings	32.12	45.87
Total non-current borrowings	**1,36,064.70**	**62,637.00**
Current maturities		
7.85% Non-convertible debentures (secured) (refer note E)	150.00	110.00
9.25% Non-convertible debentures	-	600.00
8.10% Non-convertible debentures (secured) (refer note C and i below)	998.83	-
Indian rupee loans from banks (secured)	8,252.28	325.20
Indian rupee loans from financial institution (secured)	109.65	-
Foreign currency loan from financial institution (secured)	218.74	205.84
Lease liabilities (refer note 34)	13.75	7.47
Interest accrued but not due	826.83	118.76
Total current portion of non-current borrowings	**10,570.08**	**1,367.27**
Less: Amount disclosed under the head "Other current financial liabilities" (refer note 15)	10,570.08	1,367.27
Net borrowings	**-**	**-**

(i) The above items represent new secured non-convertible debentures that have been issued by the Trust during the year ended 31 March 2021.

(A) Secured Non-convertible debentures referred above to the extent of:

(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust;
(iii) Pledge over 51% of the share capital of specified SPVs.

(B) Secured market linked non-convertible debentures referred above to the extent of:

(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust;
(iii) Pledge over 51% of the share capital of specified SPVs.

(C) Secured market linked non-convertible debentures referred above to the extent of:

(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust
(iii) First pari-passu charge on the ISRA and DSRA accounts.
(iv) Pledge over 51% of the share capital of specified SPVs

The Trust is in the process of creating security charge on the above NCDs.

The below table shows the maturity profile of outstanding NCD and MLD of the Trust the principal of which is repayable in full at the time of maturity :

Rate of Interest	Repayment Commencement Date	2022-2023	2023-2024	2024-2025	2025-2026	2028-2029
4,350 7.11% Non-convertible debentures of Rs. 10,00,000 each	14 February 2029	-	-	-	-	4,350
2,500 8.60% Non-convertible debentures of Rs. 10,00,000 each	31 August 2028	-	-	-	-	2,500
3000 9.10% Non-convertible debentures of Rs. 10,00,000 each	29 July 2024	-	-	3,000	-	-
1740 8.40% market linked non-convertible debentures of Rs. 10,00,000 each	24 January 2024	-	1,740	-	-	-
900 8.40% market linked non-convertible debentures of Rs. 10,00,000 each	24 January 2024	-	-	-	-	-
2,000 9.00% market linked non-convertible debentures of Rs. 10,00,000 each	04 January 2023	2,000	-	-	-	-
2,000 8.85% Non-convertible debentures of Rs. 10,00,000 each	02 November 2022	2,000	-	-	-	-
14,000 9.10% Non-convertible debentures of Rs. 10,00,000 each	03 June 2022	14,000	-	-	-	-
4,000 8.50% Non-convertible debentures of Rs. 10,00,000 each	01 March 2024	-	4,000	-	-	-
2,500 7.00% Non-convertible debentures of Rs. 10,00,000 each	28 June 2024	-	-	2,500	-	-
1,500 7.25% Non-convertible debentures of Rs. 10,00,000 each	27 June 2025	-	-	-	1,500	-
1,000 7.40% Non-convertible debentures of Rs. 10,00,000 each	26 December 2025	-	-	-	1,000	-
15,000 7.25% Non-convertible debentures of Rs. 10,00,000 each	10 April 2024	-	15,000	-	-	-
6,500 7.25% Non-convertible debentures of Rs. 10,00,000 each	10 April 2025	-	-	6,500	-	-
5,000 7.25% Non-convertible debentures of Rs. 10,00,000 each	10 April 2026	-	-	-	5,000	-

(D) Term loan from bank

1. The Indian rupee term loan from bank carries interest at the rate of 7.60% and 8.25% p.a. payable monthly. Entire loan amount shall be repayable as a bullet repayment at the end of 5 years from the date of disbursement. The term loan is secured by (i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs; (ii) First pari-passu charge on Escrow account of the Trust.

2. The Indian rupee term loan from bank carries interest at the rate of 8.25% p.a. payable monthly. Entire loan amount shall be repayable as a bullet repayment at the end of 10 years from the date of disbursement. The term loan is secured by (i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs; (ii) First pari-passu charge on Escrow account of the Trust.

3. The Indian rupee term loan from bank carries interest at the rate of 7.40%, 7.45% p.a and 7.6% payable monthly. Loan amount installments shall be repayable as per the payment schedule at the end of 10 years from the date of disbursement. The term loan is secured by (i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs; (ii) First pari-passu charge on Escrow account of the Trust.

Bhopal Dhule Transmission Company Limited
(E) Non- Convertible Debentures:

Bhopal Dhule Transmission Company Limited ('BDTCL') had issued 7,350 Non Convertible Debentures ('NCDs') of Rs 1,000,000/- each on private placement basis which carries an interest at the rate of 7.85%. The interest is payable quarterly at the end of each quarter. 11% of the total debentures are redeemable in structured instalments in accordance with the redemption schedule. The balance 89% shall be repayable as a bullet repayment on 4th April 2022. All the NCDs together with interest, additional interest, liquidated damages, premium on prepayment, cost and charges, expenses and all other monies and all other amounts stipulated and payable to the debenture holders are secured by:
(i) First and exclusive charge on all movable assets and immovable assets of issuers including but not limited to movable plant and machinery, spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, intangible, goodwill, uncalled capital, right of way/land, civil structures, tower and cables, office buildings. present and future if any for the project.
(ii) First charge by way of:
a)Assignment/hypothecation or creation of security interest present and future of all rights, titles, interest, benefits, claims and demands whatsoever of BDTCL in the project, documents including but not limited to transmission supply agreements, transmission licenses, package/construction contracts, O&M related agreements if any, land lease agreements, service contracts etc. duly acknowledged, consented by relevant counter parties to such project documents all as amended, varied or supplemented from time to time;
b) All rights, title, interest, benefits, claims and demands whatsoever of the company in the permits, approvals and clearances pertaining to the projects, in the letter of credit, guarantee, performance bond, corporate guarantee, bank guarantees provided by any party to the project document;
c) All insurances proceeds (debenture trustee to be the loss payee in the insurance policy).
(iii) A First charge on letter of credit, Escrow account, debt service reserve account and other reserve and any other bank account of the issuer wherever maintained, present and future.
(iv)First charge on all book debts, operating cash flow, receivables, commissions, revenues of whatsoever nature and wherever arising, of BDTCL, present and future.
(v) Pledge of 51% of the equity share capital of the BDTCL.

(F) Term loans from bank and financial institutions:

Foreign currency loan from financial institution carries interest at the rate of 6m LIBOR + 2.10% to 3.80% spread. BDTCL has taken currency and interest rate swap to hedge 6m LIBOR to fixed rate. Amount of USD 15.62 million being 35% of the total loan amount shall be repayable as a bullet repayment in accordance with the repayment schedule such that average tenor of the facility shall be more than 8.51 years. Remaining amount of USD 17.78 million is being repaid in quarterly instalments till December 2026. The foreign currency loan is secured by first charge on all the immovable assets pertaining to the project, tangible movable assets, current assets, all the accounts and intangible assets both present and future. Loans are also secured by assignment by way of security of all the right, title, interest benefits, claims and demands whatsoever of BDTCL in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time; all rights, title, interest and benefits of BDTCL into and under all clearances pertaining to the project (including transmission licence) to the extent same are assignable; all rights, title, interest, benefits, claims and demands whatsoever of BDTCL in any letter of credit, guarantee including contract guarantees and liquidated damages, consent agreements, side letters and performance bond provided by any party to the project document; all rights, title, interest, benefits, claims and demands whatsoever of the borrower in, to and under all insurance contracts and insurance proceeds pertaining to the project. Loans are also secured by non disposable undertaking from India Grid Trust directly/indirectly to hold at least 51% of equity share capital till final settlement date. Upon occurrence of event of default the negative lien shall be converted in pledge of 51% of the equity share capital of BDTCL.

Odisha Generation Phase-II Transmission Limited
(G) Term loan from bank:
Odisha Generation Phase-II Transmission Limited has taken Indian rupee term loan from bank. The interest rate is aligned with the bank's 3 year MCLR plus five basis points. 73% of the total amount is repayable in 46 structured quarterly instalments in accordance with amortisation schedule balance 27% is repayable as a bullet repayment as a last instalment. The Loan together with interest, fees, commission and other monies payable to the bank are secured by:

(i) A first charge on all the borrower's tangible moveable assets and all other movable assets and current and non-current assets, both present and future.
(ii) A first charge over all the accounts of the borrower and receivables
(iii) A first charge on all intangible assets of The Borrower including but not limited to goodwill, rights and undertakings and intellectual property rights and uncalled capital, book debts, current assets, operating cash flows, commissions, revenues of whatsoever nature, both present and future.
(iv) A first charge on all immovable assets of the Borrower, present and future.
(v) Pledge of equity shares representing at least 51% of the equity share capital (if Axis bank is sole lender, shares pledged shall be restricted to 30% and balance 21% shall be under a non-disposal undertaking).

Gurgaon-Palwal Transmission Limited
(H) Term loan from bank:
Indian rupee term loan from bank and financial Institutions carries interest at the rate of 10.65% p.a to 12.25%. 60% of total loan amount is repayable in 46 structured quarterly instalments post one year moratorium period in accordance with amortisation schedule. Balance 40% of the total loan amount shall be repayable as a bullet repayment as a last instalment. The loan is secured by first charge on all the immovable assets pertaining to the project, tangible movable assets, current assets, all the accounts and intangible assets both present and future. Loans are also secured by assignment by way of security of all the right, title, interest benefits, claims and demands whatsoever of the Company in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time; all rights, title, interest and benefits of the Company in to and under all clearances pertaining to the project (including transmission license) to the extent same are assignable; all rights, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit, guarantee including contract guarantees and liquidated damages, consent agreements, side letters and performance bond provided by any party to the project document; all rights, title, interest, benefits, claims and demands whatsoever of the borrower in, to and under all insurance contracts and insurance proceeds pertaining to the project. Loans are also secured by non disposable undertaking from sponsor directly/ indirectly to hold at least 51% of equity share capital till final settlement date. Upon occurrence of event of default the negative lien shall be converted in pledge of 51% of the equity share capital of the Company.

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Notes to Consolidated Financial Statements for the year ended 31 March 2021

Parbati Koldam Transmission Company Limited
(I) Term loan from bank:
Term Loans from Banks and Financial Institutions (principal undiscounted amount) are secured by:
a) First pari-passu charge by way of mortgage of all immovable properties acquired for the project, both present and future,
b) First pari-passu charge by way of hypothecation of all movable assets, including moveable plant & machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other moveable assets, present and future,
c) First pari-passu charge on all the cash flows, receivables, book debts, revenues of whatsoever nature and wherever arising, present and future,
d) First pari-passu charge on all intangibles assets, present and future,
e) First pari-passu charge on guarantees, letter of credit, performance bond, indemnities etc.
f) Pledge of promoter's Equity (India Grid Trust) Interest representing at least 51% of the project Equity Capital,
g) First pari-passu charge on all Insurance Contracts and Insurance Proceeds.
j) The loan shall be repaid in 168 monthly instalment starting from October 30, 2016.

NER II Transmission Limited
(J) Term loan from bank:
Indian rupee term loan from banks of Rs.630.43 million (31 March 2020: Nil) and from financial institutions of Rs.13,983.47 million (31 March 2020: Rs. 13,077.50 million) carries interest at the rate of 10.50%- 12.65% p.a payable monthly (linked to the Lead Lenders Benchmark Rate with Spread).Total loan amount is repayable in 47 structured quarterly instalments post 6 months moratorium period in accordance with amortisation schedule (tenure of 15 year). The loan is secured by first charge on all the immovable assets pertaining to the project, tangible movable assets, current assets, all the accounts and intangible assets both present and future. Loans are also secured by assignment by way of security of all the right, title, interest benefits, claims and demands whatsoever of the Company in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time; all rights, title, interest and benefits of the Company in to and under all clearances pertaining to the project (including transmission license) to the extent same are assignable; all rights, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit, guarantee including contract guarantees and liquidated damages, consent agreements, side letters and performance bond provided by any party to the project document; all rights, title, interest, benefits, claims and demands whatsoever of the borrower in, to and under all insurance contracts and insurance proceeds pertaining to the project. Loans are also secured by non disposable undertaking from sponsor directly/ indirectly to hold at least 51% of equity share capital till final settlement date. Upon occurrence of event of default the negative lien shall be converted in pledge of 51% of the equity share capital of the Company.

Financial covenants
Loans from bank, financial institution and non convertible debentures raised contain certain debt covenants relating to limitation on interest service coverage ratio, debt service coverage ratio, total debt gearing, maintenance of specified security margin etc. The financial covenants are reviewed on availability of audited accounts of the respective borrower periodically. For the financial year ended March 31, 2021, the Group has satisfied all debt covenants prescribed in the terms of loan from bank and financial institutions, where applicable.

Note 14: Trade payables

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	23.25	105.32
- total outstanding dues of creditors other than micro enterprises and small enterprises		
-to related parties (refer note 28)	102.44	157.04
-to others	99.64	70.55
Total	**225.33**	**332.91**

Trade payables are not-interest bearing and are normally settled on 30-90 days terms.
For explanation on the Group's risk management policies, refer note 35.

Note 15: Other financial liabilities

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Current		
Derivative instruments		
Foreign exchange forward contracts	197.86	20.42
Cross currency interest rate swap	-	2.58
	197.86	**23.00**
Other financial liabilities at amortised cost		
Current maturities of long-term borrowings (refer note 13)	9,729.50	1,241.04
Interest accrued but not due on borrowings	826.83	118.76
Payables for purchase of property, plant and equipment	616.22	186.33
Distribution payable	9.58	7.34
Payable towards project acquired	1,780.17	1,925.09
Lease liabilities (refer note 34)	13.75	7.47
Employee payable	24.92	-
Tariff payable to the beneficiaries (unbilled)	782.37	-
Others	362.47	108.57
	14,145.81	**3,594.60**
Total	**14,343.67**	**3,617.60**

Note 16: Employee Benefit Obligations

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Non current		
Provision for gratuity (refer note 37)	1.93	
Provision for leave benefit	2.01	
Total	**3.94**	**-**
Current		
Provision for gratuity (refer note 37)	0.03	
Provision for leave benefit	1.05	
Long term incentive plan (refer note 39)	11.29	
Total	**12.37**	**-**

Note 17: Other current liabilities

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Withholding taxes (TDS) payable	61.80	22.43
Advance from customers	166.62	167.03
Statutory dues payables	4.06	1.17
Others	45.67	49.64
Total	**278.15**	**240.27**

Note 18: Current tax liability

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Current tax liability	-	4.10
Total	-	4.10

Note 19: Deferred tax liability (net)

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Deferred tax liability		
Property, plant and equipment : Impact of difference between tax depreciation and depreciation/amortisation for financial reporting	10,487.66	8,680.02
Service concession recievable : Impact of difference between tax depreciation and effective rate of interest for financial reporting	631.72	-
Gross deferred tax liability (B)	**11,119.38**	**8,680.02**
Deferred tax asset		
Financial assets	204.92	-
Tax Losses	10,443.77	8,077.96
Unabsorbed losses under income tax	197.05	
Impact of effective interest rate on borrowings	8.82	
Gross deferred tax asset (A)	**10,854.55**	**8,077.96**
Less: Recoverable from beneficiaries	(656.57)	
Net deferred tax liability (A-B)	**921.40**	**602.06**

1. As at 31 March 2021, based on the expected future profitability of the SPVs, the management has recognised deferred tax assets on the unabsorbed tax depreciation carried forward only to the extent of deferred tax liability.

2. The Group has Rs. 7,131.07 million (31 March 2020: Rs. 7,340.75 million) of tax losses carried forward on which deferred tax asset has not been recognised. If the Group was able to recognise all unrecognised deferred tax assets, profit after tax would have increased and equity would have increased by Rs. 1,794.89 million (31 March 2020: Rs. 1,847.52 million).

Further, for the calculation of deferred tax assets/liabilities, the Group has not considered tax holiday available under the Income Tax Act for some of the project SPVs for the computation of deferred tax assets/liabilities. The management based on estimated cash flow workings for these project, believes that since there will be losses in the initial years of these project, no benefit under the Income tax Act would accrue to these projects in respect of the tax holiday. Management will re-assess this position at each balance sheet date.

In the previous year, the subsidiary companies of the Group have opted for lower tax rate as per Section 115BAA of Income Tax Act, 1961. Accordingly, the Group has recognised provision for income tax for the year ended 31 March 2020 and remeasured deferred tax liabilities and assets at revised lower tax rate. The impact for the same has been recognised in the year ended 31 March 2020.

The major components of income tax expense for the years ended 31 March 2021 and 31 March 2020 are:

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
- Current tax	49.85	56.96
- Deferred tax (refer note above)	24.92	(114.29)
- Income tax for earlier years	1.51	-
Income tax expenses reported in the statement of profit and loss	**76.28**	**(57.33)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2021 and 31 March 2020:

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Accounting profit before income tax	3,420.37	4,999.87
At India's statutory income tax rate of 25.17% (31 March 2020: 25.17%)	860.84	1,258.37
Impact of exemption u/s 10(23FC) of the Income Tax Act, 1961 available to the Trust	(784.56)	(1,201.41)
Impact on deferred tax due to change in tax rates (refer note above)	24.92	(114.29)
At the effective income tax rate	76.28	(57.33)
Income tax expense reported in the statement of profit and loss	**76.28**	**(57.33)**

Note 20: Revenue from contracts with customers

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
20.1: Disaggregated revenue information		
Type of service		
Power transmission services	16,769.19	12,427.13
Total	**16,769.19**	**12,427.13**

Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCs. The TSAs are executed for a period of 35 / 25 years and have fixed tariff charges as approved by CERC (except some escalable portion and some incentives/penalties relating to transmission assets availabilities). Under the TSAs, the Group's performance obligation is to provide power transmission services. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs failing which could result in certain disincentives/penalties. The performance obligation is satisfied over-time as the customers receive and consume the benefits provided by the Group's performance as the Group performs. The payment is generally due within 60 days upon receipt of monthly invoice by the customer. The Group receives payments as per the pooling arrangements specified under the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 ('Pooling Regulations'). In the Point of Connection (PoC) mechanism, the transmission charges to be recovered from the entire system are allocated between users based on their location in the grid. Under the PoC mechanism, all the charges collected by the Central Transmission Utility (i.e. Power Grid Corporation of India Limited) from LTTCs are disbursed pro-rata to all Transmission Service Providers from the pool in proportion of the respective billed amount.

Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures since the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date.

20.2: Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price

	31 March 2021	31 March 2020
Revenue as per contracted price	16,093.42	11,977.54
Adjustments:		
Incentives earned for higher asset availabilities	457.41	355.17
Surcharges received for late payments	271.68	144.24
Rebates given for early payments	(53.32)	(49.82)
Total revenue from contracts with customers	**16,769.19**	**12,427.13**

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Project wise break up of revenue from contracts with Customers	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Bhopal Dhule Transmission Company Limited	3,081.25	2,694.19
Jabalpur Transmission Company Limited	1,540.60	1,504.96
Maheshwaram Transmission Limited	587.22	585.18
RAPP Transmission Company Limited	460.32	460.14
Purulia & Kharagpur Transmission Company Limited	758.88	755.98
Patran Transmission Company Limited	320.71	301.48
NRSS XXIX Transmission Limited	5,233.88	4,831.69
Odisha Generation Phase-II Transmission Limited	1,736.29	1,260.29
East North Interconnection Company Limited	1,472.73	33.22
Gurgaon-Palwal Transmission Limited#	908.86	-
Jhajjar KT Transco Private Limited#	191.40	-
Parbati Koldam Transmission Company Limited#	376.30	-
NER II Transmission Limited#	100.75	-
	16,769.19	**12,427.13**

In the current year, the Trust has acquired Gurgaon-Palwal Transmission Limited with effect from 28 August 2020, Jhajjar KT Transco Private Limited with effect from 28 September 2020, Parbati Koldam Transmission Company Limited with effect from 08 January 2021 and NER II Transmission Limited with effect from 25 March 2021. Amounts stated above pertain to post acquisition revenue.

a. Central Electricity Regulatory Commission ('CERC') vide its order dated 25 June 2018 approved an increase in non-escalable tariff revenue by 0.69% per annum on quoted non-escalable tariff of Bhopal Dhule Transmission Company Limited ('BDTCL') from the commercial operation dates ('COD') of respective elements of the BDTCL project on account of changes in laws. In earlier year, BDTCL recognised revenue based on revised non-escalable charges prospectively from 01 April 2018 instead of the COD of respective elements.
During the previous year ended 31 March 2020, BDTCL received arrears of Rs. 50.20 million pertaining to period from the COD of the respective elements up to 31 March 2017 which is recognised as revenue from contracts with customers in the year ended 31 March 2020.

b. The Appellate Tribunal for Electricity ('ATE') vide its order dated 20 October 2020 provided its approval for claiming additional cost incurred by Bhopal Dhule Transmission Company Limited ('BDTCL') due to delay in actual commercial operation dates ('COD') as a change in law event. As per the terms of the Transmission Service Agreement (TSA), for an increase in the cost of the project, BDTCL is entitled to claim additional tariff from the COD. The additional cost has resulted in an increase in non-escalable tariff by approximately 2.99% from the date of COD. Accordingly, BDTCL has revised its monthly billing to the Power Grid Corporation of India Limited (PGCIL) (CTU) effective from October 2020 by 2.99% for additional tariff and the same is accounted as revenue from operations in the statement of profit and loss for the quarter ended 31 December 2020 and year ended 31 March 2021. Additional arrear revenue from the actual COD till 30 September 2020 amounting to Rs. 428.35 Mn has been received by BDTCL during the last quarter of the year and has been recognized as revenue from operations for the quarter / year.
BDTCL has also entered into a Project Implementation and Management Agreement between Axis Trustee Services Limited (as the Trustee of India Grid Trust), IndiGrid Investment Mangers Limited (as the Investment Manager of India Grid Trust) and Sterlite Power Grid Ventures Limited* as the Project Manager, as per which payment of 70% of the Net Present Value of additional tariff received by BDTCL has to be paid to SPGVL* by the Group.

c. On 08 June 2019, the Jabalpur-Bina transmission line ('JB Line') of Jabalpur Transmission Company Limited ('JTCL') was rendered inoperable due to a storm which damaged certain towers of the transmission line. JTCL has claimed this event as a force majeure event under the Transmission Services Agreement ('TSA'). As permitted by the TSA, JTCL has recognised tariff revenue from 8 June 2019 till 21 August 2019 pertaining to the JB Line as per the CERC approved tariff. Western Regional Power Committee has accepted the above event as force majeure from 08 June 2019 to 28 July 2019.

d. The Central Electricity Regulatory Commission ('CERC') vide its order dated 11 March 2019 approved an increase in non escalable tariff revenue by 0.32% per annum on quoted non-escalable tariff of Maheshwaram Transmission Limited ('MTL') from the commercial operation date ('COD') of the project on account of change in law. MTL has started recognizing revised non-escalable charges prospectively during the previous year from 01 July 2019 to 31 March 2020.

e. Central Electricity Regulatory Commission ('CERC') vide its order dated 17 December 2018 approved an increase in non escalable tariff revenue by 3.24% per annum on quoted non- escalable tariff of NRSS XXIX Transmission Limited ('NTL') from the commercial operation dates ('COD') of respective elements of NTL project on account increase in project cost due to changes in laws. During the previous year, NTL received arrears of Rs. 108.87 million pertaining to period from the COD of the respective elements to 01 July 2019 which is recognised as revenue from contracts with customers for the financial year ended 31 March 2020.

f. Central Electricity Regulatory Commission ('CERC') vide its order dated 17 December 2018 approved an increase in non escalable tariff revenue by 0.46% per annum on quoted non- escalable tariff of Odisha Generation Phase-II Transmission Limited ('OGPTL') from the commercial operation dates ('COD') of respective elements of the OGPTL project on account increase in project cost due to changes in laws. OGPTL has started recognizing revised non-escalable charges prospectively during the previous year from 01 January 2020 to 31 March 2020.

g. Jhajjar KT Transco Private Limited has entered into a transmission agreement with Haryana Vidyut Prasaran Nigam Limited (HVPNL) for obtaining exclusive right to construct, operate and maintain the transmission lines on design, build, finance, operate and transfer (DBFOT) basis for a specified period (concession period) commencing from the date of grant of the Transmission License and receive monthly determinable annuity payments. The agreement provides an option for extension of the concession period. Upon completion of concession period or on termination of agreement, transmission lines will vest with the grantor free and clear of all encumbrances. In terms of para 16 of Appendix D to IndAS 115, cost of construction of transmission lines has been recognized as a part of financial assets under the head service concession receivable. Annuity payments received under the agreement have been accounted as revenue from contracts with customers.

h. Parbati Koldam Transmission Company Limited during the period has proportionately recognized the Transmission Service Charges (TSC) for the period starting from 01 April 2020 till 31 March 2021 which is based on the final tariff order approved by the CERC and applicable as on 31 March 2019, since the tariff petition for the tariff period 2019 -2024 is yet to be filed by PrKTCL. Difference in the revenue recognised and the tariff approved for tariff period 2019-24 shall be recognised once the tariff petition is filed by PrKTCL and the same is approved by the CERC for the tariff period 2019-2024. The amount billed is Rs. 349.36 million (gross amount at PrKTCL is Rs. 1,673.65 million for the year 2020-21).

i. Initial License fees is recognised based on monthly license fees agreed between NER II Transmission Limited and licensee's for use of infrastructure assets.

Note 21: Other income

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Recovery of income tax balance written off	-	21.56
Sale of scrap	-	21.20
Reversal of provision for doubtful custom deposit*	-	12.79
Reimbursements received	82.88	-
Miscellaneous income	10.15	9.96
Total	**93.03**	**65.51**

* Indemnification received of Nil (31 March 2020: Rs. 12.79 million) against custom deposit received from Sterlite Power Grid Ventures Limited.

Note 22: Employee Benefit Expenses

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Salaries, wages and bonus	113.30	1.49
Contribution to provident fund and superannuation fund	6.72	0.18
Employees long term incentive programme (refer note 39)	11.29	-
Gratuity expense (refer note 37)	2.69	-
Staff welfare expenses	6.78	-
Total	**140.78**	**1.67**

Note 23: Other expenses

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Project management fees *	63.79	63.66
Investment management fees #	330.71	238.79
Power and fuel	21.27	-
Rent	4.58	-
Rates and taxes	62.74	37.76
Insurance expenses	243.64	147.02
Vehicle hire charges	18.60	13.51
Loss on sale of assets	40.42	-
Director Sitting Fee	2.22	-
Security charges	22.16	-
Interest on TDS	3.15	-
Earn out Expenses @	796.80	-
Corporate social responsibility **	29.76	-
Miscellaneous expenses	80.42	63.46
Total	**1,720.26**	**564.20**

Details of fees paid to Project Manager and Investment Manager as required pursuant to SEBI Circular No. CIR/IMD/DF/127/2016, dated November 29, 2016:

* Pursuant to the Project Implementation and Management Agreement dated 10 November 2016 as amended, Project Manager is entitled to fees @ 10% of gross expenditure incurred by each SPV in relation to operation and maintenance costs, per annum. Consolidated Statement of Profit and Loss for the year ended 31 March 2021 includes amount of Rs. 63.79 million (31 March 2020: Rs 63.66 million) towards Project Manager fees. There are no changes during the year in the methodology for computation of fees paid to Project Manager.

Pursuant to the Investment Management Agreement dated 10 November 2016 as amended, Investment Manager is entitled to fees @ 1.75% of difference between revenue from operations and operating expenses (other than fees of the Investment Manager) of each SPV, per annum. For this purpose, operating expenses would not include depreciation, finance costs and income tax expense. Consolidated statement of Profit and Loss for the year ended 31 March 2021 includes amount of Rs. 330.71 million (31 March 2020: Rs. 238.79 million) towards Investment Manager Fees. There are no changes during the year in the methodology for computation of fees paid to Investment Manager.

** The Group management is evaluating the best possible alternative for CSR activities related to its subsidiaries hence the amount has not been spent till 31 March 2021. In accordance with provisions of Section 135, unspent amount of Rs. 29.76 million (31 March 2020 : Nil)has been transferred to separate bank accounts by the respective subsidiaries.

@ Earn out expense of INR 796.62 million for year ended 31 March 2021 (31 March 2020: Nil) paid to Sterlite Power Grid Ventures (now merged with Sterlite Power Transmission Limited) on account of amounts received by the Trust due to change in law orders received by its subsidiary entities. Such amounts are passed on to the selling shareholder as per the terms of the respective agreements with them.

Note 24: Finance Cost

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Interest on financial liabilities measured at amortised cost	6,842.60	4,039.42
Other bank and finance charges	-	113.96
Discounting on Factoring	22.35	-
Total	**6,864.95**	**4,153.38**

Note 25: Earnings per unit (EPU)

Basic EPU amounts are calculated by dividing the profit for the period attributable to unit holders by the weighted average number of units outstanding during the period.

Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the period plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

The following reflects in the loss and share data used in the basic and diluted EPU computation:

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Profit after tax attributable to unitholders for calculating basic and diluted EPU (Rs. in million)	3,337.09	5,057.20
Weighted average number of units in calculating basic and diluted EPU (No. in million)	583.49	554.01
Earnings Per Unit		
Basic and Diluted (Rupees/unit)	5.72	9.13

Note 26: Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements
In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

i. Applicability of Appendix D - Service Concession Arrangements of Ind AS 115 Revenue from contracts with customers
The Group through its subsidiaries acts as a transmission licensee under the Electricity Act, 2003 holding valid licenses for 25 years. The subsidiaries have entered into Transmission Services Agreements ("TSA") with Long Term Transmission Customers ("LTTC") through a tariff based bidding process to Build, Own, Operate and Maintain ("BOOM") the transmission infrastructure for a period of 25-35 years. The management of the Company is of the view that the grantor as defined under Appendix D of Ind AS 115 ("Appendix D") requires transmission licensee to obtain various approvals under the regulatory framework to conduct its operations both during the period of the license as well as at the end of the license period. However, in the view of management, the grantor's involvement and approvals are to protect public interest and are not intended to control, through ownership, beneficial entitlement or otherwise, any significant residual interest in the transmission infrastructure at the end of the term of the arrangement. Accordingly, management is of the view that Appendix D to Ind AS 115 is not applicable to the Group for all transmission infrastructure operating on a BOOM basis. The Group also holds transmission infrastructure pertaining to Jhajjar KT Transco Private Limited which operates on a Build Operate and Transfer ("BOT") basis. The company has operating and maintaining the power transmission system including sub-station constructed to provide services for a specified period of time in accordance with the transmission agreement entered into with the grantor. Under Appendix D to Ind AS 115, this arrangement is considered as Service Concession Arrangement and in accordance with para 16 of the Appendix D to Ind AS 115, rights to receive the consideration from the grantor for providing services has been recognised as "financial assets". Accordingly the Group is of the view that Appendix D - Service Concession Arrangements of Ind AS 115 Revenue from contracts with customers is applicable to this infrastructure asset.

ii. Classification of Unitholders' funds
Under the provisions of the InvIT Regulations, IndiGrid is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of IndiGrid for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016) issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20-Oct-2016 dealing with the minimum disclosures for key financial statements. In line with the above, the dividend payable to unit holders is recognised as liability when the same is approved by the Investment Manager.

iii. Acquisition of Transmission SPVs classified as asset acquisitions
The Group acquires operational transmission SPVs from the Sponsor or from third party. The purchase consideration primarily pertains to the fair value of the transmission assets. All such assets are operational assets with fixed tariff revenues under the Transmission Services Agreements (TSAs) for 35 years. The only key activity for these SPVs is the maintenance of the transmission assets which is outsourced to third parties. There are no employees in these entities and no other significant processes are performed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-a-vis the guidance on definition of business under Ind AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management has classified the acquisition of transmission SPVs as asset acquisition.

iv. Consolidation of East North Connection Company Limited ('ENICL') as a subsidiary
The Group entered into share purchase agreement dated 23 March 2020 ("the Agreement") with Sterlite Power Transmission Limited and Sterlite Power Grid Ventures Limited ("the Selling shareholders") for acquisition of equity stake in East North Interconnection Company Limited. ("ENICL"). Pursuant to the agreement, the Group has finalized purchase consideration for entire equity stake of the selling shareholders and has paid purchase consideration for acquisition of 49% paid up equity capital in the ENICL. Futher the Group has acquired the remaining 51% equity stake in ENICL on 26 May 2020.

Considering the requirements under Ind AS 110, the Group has assessed whether it controls ENICL on the basis of acquisition and the fact that the Group holds 100% of the paid up equity capital in ENICL.

Accordingly, the Group has consolidated ENICL on 100% equity ownership and no non-controlling interest (NCI) has been recognised in the consolidated Ind AS financial statements.

v. Consolidation of Gurgaon-Palwal Transmission Limited ('GPTL') as a subsidiary
The Group entered into share purchase agreement dated 28 August 2020 ("the Agreement") with Sterlite Power Grid Ventures Limited ('SPGVL') (merged with "Sterlite Power Transmission Limited" (SPTL)) and Sterlite Grid 4 Limited ('SGL4') ("the Selling shareholders") for acquisition of equity stake in Gurgaon-Palwal Transmission Limited ("GPTL"). Pursuant to the agreement, the Group has finalized purchase consideration for entire equity stake of the selling shareholders and has paid purchase consideration for acquisition of 49% paid up equity capital in the GPTL.
Based on the contractual terms of the agreement, the Group has following rights:

- Right to nominate all directors on the board of directors of the GPTL;
- Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of GPTL;
- Non-disposal undertaking from the selling shareholders for the remaining 51% equity stake in GPTL;

Considering the requirements under Ind AS 110, the Group has assessed whether it controls GPTL on the basis the above rights under the agreement and the fact that the Group has entered into irrevocable binding agreement with the selling shareholders to acquire remaining 51% paid up equity capital in GPTL. Based on the assessment, management has concluded that the Group controls GPTL in spite of the fact that it has acquired only 49% of the paid up capital of GPTL. Further, based on the legal opinion GPTL is considered as Special Purpose Vehicle as per requirements of Securities Exchange Board of India's Invite Regulations.

Accordingly, the Group has consolidated GPTL assuming 100% equity ownership and no non-controlling interest (NCI) has been recognised in the consolidated Ind AS financial statements. Remaining purchase consideration payable to the selling shareholders is recognized as financial liability in the consolidated Ind AS financial statements.

vi. Consolidation of Jhajjar KT Transco Private Limited ('JKTPL') as a subsidiary
The Group acquired 74% of paid up equity capital of Jhajjar KT Transco Private Limited ('JKTPL') with effect from 28 September 2020 from Kalpataru Power Transmission Limited, Techno Electric & Engineering Company Limited, (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 29 May 2020 ("SPA") and acquired the remaining 26% equity stake in JKTPL on 03 October 2020.

Considering the requirements under Ind AS 110, the Group has assessed whether it controls JKTPL on the basis of acquisition and the fact that the Group holds 100% of the paid up equity capital in JKTPL.

Accordingly, the Group has consolidated JKTPL on 100% equity ownership and no non-controlling interest (NCI) has been recognised in the consolidated Ind AS financial statements. Remaining purchase consideration payable to the selling shareholders is recognized as financial liability in the consolidated Ind AS financial statements.

vii. Consolidation of Parbati Koldam Transmission Company Limited ('PrKTCL') as a subsidiary
The Group acquired 74% of paid up equity capital of Parbati Koldam Transmission Company Limited ('PrKTCL') with effect from 08 January 2021 from Reliance Infrastructure Limited (referred as "the Selling Shareholder") pursuant to Share Purchase Agreement dated 28 November 2020 ("SPA"). The balance 26% share in PrKTCL is held by PowerGrid Corporation of India Limited ("PGCIL"). Pursuant to the agreement, the Group has finalized purchase consideration for entire equity stake of the selling shareholders and has paid purchase consideration for acquisition of 74% paid up equity capital in the PrKTL.
Based on the contractual terms of the agreement, the Group has following rights:

•Right to nominate all directors on the board of directors of the PrKTCL;
•Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of PrKTCL;

Considering the requirements under Ind AS 110, the Group has assessed whether it controls PrKTCL on the basis the above rights under the agreement and the fact that the Group has acquired 74%. Based on the assessment, management has concluded that the Group controls PrKTCL in spite of the fact that it has acquired only 74% of the paid up capital of PrKTCL. Further, based on the legal opinion PrKTCL is considered as Special Purpose Vehicle as per requirements of Securities Exchange Board of India's Invite Regulations.

Accordingly, the Group has consolidated PrKTCL assuming equity ownership and non-controlling interest (NCI) of 26% has been recognised in the consolidated Ind AS financial statements. Remaining purchase consideration payable to the selling shareholders is recognized as financial liability in the consolidated Ind AS financial statements.

viii. Consolidation of NER II Transmission Limited ('NER') as a subsidiary
The Group acquired 49% of paid up equity capital of NER II Transmission Limited ("NER") with effect from 25 March 2021 from Sterlite Power Transmission Limited (SPTL)) and Sterlite Grid 4 Limited ('SGL4'), (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 05 March 2021 ("SPA"). The Group has finalised purchase consideration for acquisition of entire stake in NER and has entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in NER from the Selling Shareholders. The Group has beneficial interest based on the rights available to it under the SPA. As of 31 March 2021, the Group has paid additional consideration equivalent to 25% of the total consideration which would be adjusted towards payable for acquisition of 25% of equity stake.
Based on the contractual terms of the agreement, the Group has following rights:

•Right to nominate all directors on the board of directors of the NER;
•Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of NER;
•Non-disposal undertaking from the selling shareholders for the remaining 51% equity stake in NER;

Considering the requirements under Ind AS 110, the Group has assessed whether it controls NER on the basis the above rights under the agreement and the fact that the Group has acquired 49% making a payment for 74% stake. Based on the assessment, management has concluded that the Group controls NER in spite of the fact that it has acquired only 49% of the paid up capital of NER. Further, based on the legal opinion NER is considered as Special Purpose Vehicle as per requirements of Securities Exchange Board of India's Invite Regulations.

Accordingly, the Group has consolidated NER assuming equity ownership and non-controlling interest (NCI) of 26% has been recognised in the consolidated Ind AS financial statements. Remaining purchase consideration payable to the selling shareholders is recognized as financial liability in the consolidated Ind AS financial statements.

Estimates and assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a. Impairment of non-financial assets
The provision for impairment/(reversal) of impairment of property, plant & equipment and service concession recievable is made based on the difference between the carrying amounts and the recoverable amounts. The recoverable amount of the property, plant & equipment and service concession recievable has been computed by external independent valuation experts based on value in use calculation for the underlying projects (based on discounted cash flow model). On a periodic basis, according to the recoverable amounts of individual portfolio assets computed by the valuation experts, the Trust tests impairment on the amounts invested in the respective subsidiary companies. The valuation exercise so carried out considers various factors including cash flow projections, changes in interest rates, discount rates, risk premium for market conditions including the impact of COVID-19, etc. Based on the valuation exercise so carried out, there is a net impairment of Rs. 175.11 for the year ended 31 March 2021 (31 March 2020 : net impairment reversal of Rs. 456.96 million), which is primarily on account of changes in risk premium and other underlying assumptions. The key assumptions used to determine the recoverable amount for the underlying projects are disclosed and further explained in Note 27A.

(b) Fair valuation and disclosures
SEBI Circulars issued under the InvIT Regulations require disclosures relating to net assets at fair value and total returns at fair value (refer note 27A and 27B). In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuers to perform the valuation. The management works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the valuation report and findings to the Board of the Investment Manager quarterly to explain the cause of fluctuations in the fair value of the transmission projects. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc. Changes in assumptions about these factors could affect the fair value.

Note 27A: Fair value measurements

The Group is required to present the Statement of total assets at fair value and Statement of total returns at fair value as per SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 as a part of these condensed consolidated financial statements - Refer Statement of Net assets at fair value and Statement of Total Returns at fair value.

The inputs to the valuation models for computation of fair value of transmission assets for the above mentioned statements are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc.

The significant unobservable inputs used in the fair value measurement required for disclosures as above categorised within Level 3 of the fair value hierarchy as above together with a quantitative sensitivity analysis as at 31 March 2021 and 31 March 2020 are as shown below:

Description of significant unobservable inputs to valuation: **(Rs in million)**

Significant unobservable inputs	Input for 31 March 2021	Input for 31 March 2020	Sensitivity of input to the fair value	Increase /(decrease) in fair value 31 March 2021	31 March 2020
WACC	7.57% to 8.23%	8.44% to 9.09%	+ 0.5%	(11,336.00)	(4,769.00)
			- 0.5%	9,083.00	5,655.00
Tax rate (normal tax and MAT)	Normal Tax - 25.168%	Normal Tax - 25.168%	+ 2%	(410.22)	(1,277.63)
			- 2%	374.92	1,311.93
Inflation rate	Revenue: 5.00%	Revenue: 5.00%	+ 1%	(1,850.04)	(788.38)
	Expenses: 2.63% to 4.97%	Expenses: 2.72% to 4.56%	- 1%	1,495.56	529.45

The independent valuer has considered effect of COVID-19 on the significant unobservable inputs used in fair valuation as referred above.

Particulars	Carrying value		Fair value	
	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Financial assets				
Investments in mutual funds	-	-	-	-
Total	**-**	**-**	**-**	**-**
Financial liabilities				
Derivative instruments	197.86	23.00	197.86	23.00
Total	**197.86**	**23.00**	**197.86**	**23.00**

'The management has assessed that the financial assets and financial liabilities as at year end other than above are reasonable approximations of their fair values.

The Group enters into derivative financial instruments with financial institutions with investment grade credit ratings. Foreign exchange forward contracts, interest rate swaps are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. The models incorporate various inputs including the credit quality counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spread between the respective currencies, interest rate curves etc. The changes in counterparty credit risk had no material effect on financial instruments recognised at fair value through profit and loss.

Note 27B: Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Trust's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021 and 31 March 2020:

(Rs. in million)

	Date of valuation	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets for which fair values are disclosed:				
Property, plant and equipment and service concession receivable *	31 March 2021	-	-	2,03,683.16
	31 March 2020	-	-	1,17,343.51
Liabilities measured at fair value through profit and loss				
Derivative instruments (Liability)	31 March 2021	-	197.86	-
	31 March 2020	-	23.00	-

Note 28: Related party disclosures

I. List of related parties as per the requirements of Ind AS 24 - Related Party Disclosures

(a) Other related parties under Ind AS-24 with whom transactions have taken place during the year
Entities with significant influence over the Trust
Esoteric II Pte. Ltd (from May 04, 2019) - Sponsor w.e.f. 28 September 2020
Sterlite Power Grid Ventures Limited (SPGVL)^ - Sponsor and Project manager of IndiGrid - upto 15 November 2020
Sterlite Power Transmission Limited (SPTL) - Sponsor and Project manager of IndiGrid - w.e.f. 15 November 2020
Sterlite Grid 4 Limited - Subsidiary of Sponsor

II. List of related parties as per Regulation 2(1)(zv) of the InvIT Regulations

(a) Parties to IndiGrid
Sterlite Power Grid Ventures Limited (SPGVL)^ - Sponsor and Project manager of IndiGrid (upto 15 November 2020)
Sterlite Power Transmission Limited (SPTL) - Sponsor and Project manager of IndiGrid (w.e.f. 15 November 2020)
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) (IIML) - Investment manager of IndiGrid
Axis Trustee Services Limited (ATSL) - Trustee of IndiGrid
Esoteric II Pte. Ltd (from 04 May 2019) (EPL) - Sponsor w.e.f. 28 September 2020

(b) Promoters of the parties to IndiGrid specified in (a) above
Twin Star Overseas Limited - Promoter of SPTL
Sterlite Power Transmission Limited - Promoter of IIML*
Electron IM Pte. Ltd. - Promoter of IIML *
Axis Bank Limited - Promoter of ATSL
KKR Ingrid Co-Invest L.P.-Cayman Island - Promoter of EPL

(c) Directors of the parties to IndiGrid specified in (a) above

Directors of SPTL:
Pravin Agarwal
Pratik Agarwal
A. R. Narayanaswamy
Arun Todarwal Lalchand
Zhao Haixia
Avaantika Kakkar (till 02 February 2021)
Anoop Seth

Directors of IIML:
Pratik Agarwal
Tarun Kataria
Late Shashikant Bhojani (till 22 July 2020)
Rahul Asthana
Harsh Shah (CEO and whole time director)
Sanjay Omprakash Nayar (from 07 June 2019)
Ashok Sethi (from 20 October 2020)
Kuldip Kumar Kaura (till 07 June 2019)

Key Managerial Personnel of IIML:
Harsh Shah (CEO and whole time director)
Jyoti Kumar Agarwal (CFO wef 16 September 2020)
Swapnil Patil (Company Secretary)

Directors of ATSL:
Rajesh Kumar Dahiya
Sanjay Sinha
Ganesh Sankaran (from 18 April 2019)
Ram Bharoseylal Vaish (till 08 November 2019)

Directors of Esoteric II Pte. Ltd.:
Velasco Azonos Cecilio Francisco (from 19 February 2021)
Tang Jin Rong (from 19 February 2021)
Ngan Nim Ying (from 19 February 2021)
Wong Wai Kin (till 19 February 2021)
Terence Lee Chi Hur (till 19 February 2021)
Ooi Yi Jun (till 19 February 2021)

Relative of directors mentioned above:
Sonakshi Agarwal
Jyoti Agarwal
Sujata Asthana
Mala Todarwal

Firm in which director of sponsor is partner:
Cyril Amarchand Mangaldas (till 02 February 2021)

* During the previous year, Electron IM Pte. Ltd. purchased 40% stake in Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) (IIML) from Sterlite Power Transmission Limited post which Electron IM Pte. Ltd. holds 60% of stake in IIML.

^ Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL').

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Notes to Consolidated Financial Statements for the year ended 31 March 2021

(B) The transactions with related parties during the year are as follows:-

(Rs. in millions)

Particulars	Relation	2020-21	2019-20
1. Purchase of equity shares of Indigrid 1 Limited (formerly known as Sterlite Grid 2 Limited)			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	37.13	12,626.66
2. Purchase of equity shares of Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited)			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	-	518.31
3. Purchase of loan to Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited)			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	-	2,289.49
4. Purchase of equity shares of ENICL			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	6.17	1,259.46
Sterlite Power Transmission Limited	Promoter of project manager	-	29.09
5. Purchase of loan to ENICL			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	-	587.00
6. Purchase of equity shares of GPTL			
Sterlite Grid 4 Limited	Susidiary of Sponsor/Entity with significant influence	906.36	-
7. Purchase of loan to GPTL			
Sterlite Grid 4 Limited	Susidiary of Sponsor/Entity with significant influence	2,252.28	-
8. Purchase of equity shares of NER			
Sterlite Grid 4 Limited	Susidiary of Sponsor/Entity with significant influence	14,090.65	-
9. Received towards indemnification of liabilities			
Sterlite Power Transmission Limited	Sponsor and Project Manager/Entity with significant influence	15.36	46.36
10. Earn Out Expenses			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	796.62	-
11. Issue of unit capital			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	-	2,300.13
Esoteric II Pte. Ltd	Entity with significant influence over the Trust	-	11,412.04
12. Distribution to unit holders			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager	537.73	968.32
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)	Investment manager of IndiGrid	2.08	-
Esoteric II Pte. Ltd	Entity with significant influence over the Trust	1,646.03	1,203.85
Pravin Agarwal	Director of Sponsor	-	3.06
Pratik Agarwal	Director of Sponsor and Investment Manager	2.39	4.41
Harsh Shah	Whole time director of Investment Manager	0.12	0.12
Swapnil Patil	Company Secretary of Investment Manager	0.03	-
Sonakshi Agarwal	Relative of director	0.19	0.18
Jyoti Agarwal	Relative of director	0.25	0.24
Sujata Asthana	Relative of director	1.01	0.67
Arun Todarwal	Director of Sponsor	0.08	0.06
A. R. Narayanaswamy	Director of Sponsor	0.19	0.15
Mala Todarwal	Relative of director	0.06	-
13. Trustee fee			
Axis Trustee Services Limited (ATSL)	Trustee	3.01	2.36
14. Legal and professional services taken			
Cyril Amarchand Mangaldas	Firm in which director of sponsor is partner	10.88	26.62
15. Purchase of Project stores			
Sterlite Power Transmission Limited	Sponsor and Project Manager/Entity with significant influence	0.25	5.67
16. Rent			
Sterlite Power Transmission Limited	Sponsor and Project Manager/Entity with significant influence	-	1.18

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2021
(C) The outstanding balances of related parties are as follows:-

(Rs in Million)

Particulars	**Relationship**	**31 March 2021**	**31 March 2020**
Project Manager fees payable			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager	10.08	29.39
Investment Manager fees payable			
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)	Investment Manager	92.19	125.13
Payable towards project acquired			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	1,704.94	1,925.09
Sterlite Grid 4 Limited	Susidiary of Sponsor/Entity with significant influence		-
Management fees payable			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	0.16	2.52
Payable for purchase of property, plant and equipment			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	-	23.83
Legal and professional services taken			
Cyril Amarchand Mangaldas	Firm in which director of sponsor is partner	-	5.18

Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.4(b)(iv) of Section A of Annexure A to SEBI Circular dated October 20, 2016 are as follows:
For the year ended 31 March 2021:

(A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):

(Rs in million)

Particulars	**NER**	**GPTL**
Enterprise value	51,175	11,638
Method of valuation	Discounted Cash Flow	
Discounting rate (WACC):	7.40%	7.96%

(B) Material conditions or obligations in relation to the transactions:

Acquisition of Gurgaon Palwal Transmission Limited (GPTL):
Pursuant to the share purchase agreements dated August 28, 2020 (“SPA”) executed among Sterlite Power Grid Ventures Limited*, Sterlite Grid 4 Limited, Axis Trustee Services Limited, Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) and Gurgaon Palwal Transmission Limited ('GPTL') for acquisition of equity stake in GPTL, Indigrid has acquired 49% of paid up equity capital of GPTL with effect from August 28, 2020.

Under the Agreements, the Trust has the following rights:
a. Right to nominate the majority of the directors on the Board of Directors of GPTL.
b. The Selling Shareholders are required to vote according in AGM/EGM or any other meeting of shareholders of GPTL in a manner favourable for the interests of IndiaGrid Trust.
c. Irrevocable and unconditional right to acquire the remaining 51% of the equity stake of GPTL at a later date (on expiry of the respective mandatory shareholding period).
d. Pledge on the remaining 51% equity stake in GPTL, of which 2% is pledged to lenders of GPTL.
e. Non-disposal undertaking from the Selling Shareholders for the remaining 51% equity stake in GPTL.

The acquisition of equity shares of GPTL was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of NER II Transmission Limited (NER):
Pursuant to the share purchase agreements dated 05 March 2021 (“SPA”) executed among Sterlite Power Transmission Limited, Sterlite Grid 4 Limited, Axis Trustee Services Limited, Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) and NER II Transmission Limited ('NER') for acquisition of equity stake in NER, Indigrid has acquired 49% of paid up equity capital of NER with effect from 25 March 2021. As of 31 March 2021, the Trust has paid additional consideration equivalent to 25% of the total consideration which would be adjusted towards payable for acquisition of 25% of equity stake.

Under the Agreements, the Trust has the following rights:
a. Right to nominate the majority of the directors on the Board of Directors of NER.
b. The Selling Shareholders are required to vote according in AGM/EGM or any other meeting of shareholders of NER in a manner favourable for the interests of IndiaGrid Trust.
c. Irrevocable and unconditional right to acquire the remaining 51% of the equity stake of NER at a later date (on expiry of the respective mandatory shareholding period).
d. Pledge on the remaining 51% equity stake in NER.
e. Non-disposal undertaking from the Selling Shareholders for the remaining 51% equity stake in NER.

The acquisition of equity shares of NER was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

For the year ended 31 March 2020:

(A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):

(Rs in million)

Particulars	**NTL**	**OGPTL**	**ENICL**
Enterprise value	41,626	12,840	11,355
Method of valuation	Discounted Cash Flow		
Discounting rate (WACC):	8.12%	8.42%	8.77%

(B) Material conditions or obligations in relation to the transactions:

Acquisition of NRSS XXIX Transmission Limited (NTL) (through acquisition of Indigrid 1 Limited (formerly known as Sterlite Grid 2 Limited)):
Pursuant to the share purchase agreements dated April 30, 2019 ("SPA") executed among Sterlite Power Grid Ventures Limited*, Axis Trustee Services Limited, Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited), Indigrid 1 Limited (formerly known as Sterlite Grid 2 Limited) and NRSS XXIX Transmission Limited for acquisition of equity stake in NTL. The Trust has acquired 100% of equity in Indigrid 1 Limited (formerly known as Sterlite Grid 2 Limited) which is the holding company of NTL.

The acquisition of NRSS ((through acquisition of equity shares of Indigrid 1 Limited (formerly known as Sterlite Grid 2 Limited)) and was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of Odisha Generation Phase-II Transmission Limited (OGPTL) (through acquisition of Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited)):
Pursuant to the share purchase agreements dated April 30, 2019 as amended on June 28, 2019 ("SPA") executed among Sterlite Power Grid Ventures Limited*, Axis Trustee Services Limited, Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited), Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited) and Odisha Generation Phase-II Transmission Limited for acquisition of equity stake in OGPTL. The Trust has acquired 100% of equity in Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited) which is the holding company of OGPTL.

The acquisition of OGPTL ((through acquisition of shares of Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited)) and was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of East-North Interconnection Company Limited (ENICL) :
Pursuant to the share purchase agreements dated March 23, 2020 ("SPA") executed among Sterlite Power Grid Ventures Limited*, Axis Trustee Services Limited, Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited), Sterlite Power Transmission Limited and East-North Interconnection Limited ('ENICL') for acquisition of equity stake in ENICL. The Trust acquired 49% of paid up equity capital of ENICL with effect from March 24, 2020 and acquired remaining 51% equity stake in ENICL on May 26, 2020.

The acquisition of equity shares of ENICL was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

* Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL').

Note 29: Capital and other Commitments

(a) The Group has entered into a Framework agreement on 30 April 2019 with Sterlite Grid Ventures Limited ('SPGVL')* for acquisition of Khargone Transmission Limited ('KTL').

(b) The Group has entered into a Share Purchase agreement on 18 December 2020 with FRV Solar Holdings XI BV ('FRV') for acquisition of 100% equity share capital of FRV Andhra Pradesh Solar Farm-I Pvt Ltd ('FRVAPL') and FRV India Solar Park II-Pvt Ltd ('FRVIPL').

(c) The Group has entered into transmission services agreement (TSA) with long term transmission customers pursuant to which the Group has to transmit power of contracted capacity and ensure minimum availability of transmission line over the period of the TSA. The TSA contains provision for disincentives and penalties in case of certain defaults.

(d) The Group has taken office building on lease which has lease term of 5 years with lock-in-period of 3 years.

(e) The Group has paid capital advances of Rs. 50.15 million (31 March 2020 : Nil) pertaining to ongoing capital work in progress.

* Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL').

Note 30: Derivative instruments

Bhopal Dhule Transmission Company Limited (BDTCL) has entered into the following derivative instruments:

(a) The following are the outstanding Forward Exchange Contracts entered into by the Company, for hedge purpose.

Year ended	**Currency Type**	**Foreign Currency (In million)**	**Amount (Rs. in million)**	**Buy/Sell**	**No. of contracts (Quantity)**
Hedge of foreign currency loan from financial institution					
31 March 2021	US $	30.45	2,238.42	Buy	4.00
31 March 2020	US $	33.40	2,498.20	Buy	4.00

(b) Cross currency interest rate swap contracts outstanding as at year end to hedge against exposure to variable interest outflow on loans/foreign currency fluctuations:

Particulars	**31 March 2020**
Currency type	US $
No. of contracts	1.00
Amount (USD 'million)	7.28
Period of Contract	31 December 2015 to 31 March 2021
Floating rate	USD 6 Month Libor + 2.10% to 3.80%
Fixed rate	6.71% on INR principal

The BDTCL has entered into cross currency interest rate swap contract on the foreign currency loan, whereby the foreign exchange rate for principal and interest payments has been fixed at INR 65.05 / USD and the interest rate fixed at 6.71% on the loan amount converted in INR at the fixed USD rate. As a result of the contract, the BDTCL would pay interest in INR at 6.71% on the foreign currency loan converted to INR at INR 65.05/USD and receive interest at USD 6m LIBOR + 2.10% to 3.80% on the foreign currency loan amount.

Note 31: Contingent liability

Particulars	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
- Entry tax demand*	432.59	411.23
- Sales tax demand#	33.52	24.66
- Other Demands^	248.13	-
Total	**714.24**	**435.89**

*Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Madhya Pradesh. Out of the total demand Rs. 138.75 million (31 March 2020: Rs. 138.75 million) pertains to Jabalpur Transmission Company Limited ('JTCL'), Rs. 165.80 million (31 March 2020: Rs. 165.80 million) pertains to Bhopal Dhule Transmission Company Limited ('BDTCL') and Rs. 13.30 million (31 March 2020: Rs. 13.30 million) pertains to RAPP Transmission Company Limited ('RTCL') which is pending with High Court, Jabalpur.

Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Madhya Pradesh. The total demand Rs. 1.33 million (31 March 2020: Rs. 1.33 million) pertains to Bhopal Dhule Transmission Company Limited ('BDTCL') which is pending with Commissioner (Appeals).

Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Chhattisgarh. The total demand Rs. 113.41 million (31 March 2020: Rs. 92.05 million) pertains to Jabalpur Transmission Company Limited ('JTCL') out of which Rs. 51.55 million (31 March 2020: Rs. 51.55 million) is pending with the Chhattisgarh High Court, Rs. 40.50 million (31 March 2020: Rs. 40.50 million) is pending with Chairman Chhattisgarh Commercial tax Tribunal, Raipur (C.G.) and Rs. 21.36 million (31 March 2020: Nil) the notice for assessment has been received in the month of October 2020 for which the Group has applied for a certified copy of the Assessment Order on October 29, 2020 and is still awaiting a copy of the same.

Sales tax demand of Rs. 17.99 million (31 March 2020: Rs. 24.66 million) for Indigrid Limited (IGL) pertains to demand under Delhi VAT Act, 2004 for non-submission of C Forms, Rs. 24.66 million pertains to FY 2014-15 was settled during the year and Rs. 17.98 million pertains to FY 2015-16. The Group has filed an objection against the order with Assistant Commissioner of Delhi VAT Authorities.

VAT demand notice of Rs. 5.70 million (31 March 2020: Nil) for Purulia & Kharagpur Transmission Company Limited (PKTCL) pertains to Jharkhand VAT Act, 2005. The Group has received the notice for assessment in the month of January 2020 and various submissions along with the requisite details and documents were made to the officer. The Group further applied for a certified copy of the Assessment Order on 01 October 2020 and is still awaiting a copy of the same.

VAT demand notice of Rs. 9.83 million (31 March 2020: Nil) for Jabalpur Transmission Company Limited (JTCL) pertains to Chhattisgarh, VAT Act, 2005. The Group has received the notice for assessment in the month of October 2020. The Group further applied for a certified copy of the Assessment Order on 29 October 2020 and is still awaiting a copy of the same.

In the previous year ended 31 March 2020, VAT demand of Rs 104.34 million for Purulia & Kharagpur Transmission Company Limited (PKTCL) pertains to demand under Jharkhand Value Added Tax (Amendment) Act, 2005 for payment of VAT for the year 2015-16 which was pending with High Court, Jharkhand. The Company has received favourable order from the High Court during the year ended 31 March 2020.

^ During the financial year 2019-20, land owners have filed a case with the District Court, Jhajjar, Haryana towards compensation and interest thereon for the value of land over which the transmission line is passing. The Group is of the view that required amount of compensation to these landowners have already been paid and no further compensation is payable. Further, these litigations are barred by limitations. Based on the legal advice, the Group does not anticipate any liability against the same and has disclosed a contingent liability of Rs. 20.12 million. It also includes an amount of Rs. 228.02 million for claims from farmers for additional Right of Way (RoW) compensation made against one of the subsidiaries.

The Group has not provided for disputed liabilities disclosed above arising from entry tax demands which are pending with different authorities mentioned above for its decision. The Group is contesting the demands and the Group management, including its legal advisors, believe that its position will likely be upheld in the appellate process. No liability has been accrued in the consolidated financial statements for the demands raised. The Group management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position.

Others

During the previous year, one of the vendor involved in construction of power transmission infrastructure has filed arbitration proceedings against East-North Interconnection Company Limited ('ENICL') in relation to turnkey construction contract executed by it earlier years which is pending before Arbitral Tribunal. Pursuant to share purchase agreement dated 23 March 2020, the Group has obtained corporate guarantee of INR 500 million from SPGVL* in respect of said arbitration. Further, all cost, expenses, liabilities and taxes with respect to the arbitration will be to the sole account of SPGVL*. The Group management doesn't expect the claim to succeed and accordingly no provision for the contingent liability has been recognised in the consolidated financial results.

* Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL').

The total contingent liability (except ROW) is recoverable as per share purchase agreement from Selling Shareholders.

Note 32: Segment reporting

The Group's activities comprise of transmission of electricity in certain states in India. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of Ind AS -108 have not separately been given.

Under Point of Connection (PoC) mechanism, Power Grid Corporation of India Limited ('PGCIL') is designated as central transmission utility with the responsibility for billing and collecting of usage charges from Inter-State Transmission Services (ISTS) users. Hence the entire amount of trade receivables pertaining to transmission charges is receivable from PGCIL.

Note 33: Details of Dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.		
Principal amount due to micro and small enterprises	23.25	105.32
Interest due on above	-	-
(ii) The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

Interest payable as per section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 is Nil (31 March 2020: Nil). Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimations received from the "suppliers" / information available with the Company regarding their status under the Micro, Small and Medium Enterprises Act, 2006.

Note 34: Leases

Indigrid Limited (IGL) has lease contract for office building used in its operations which have lease term of 5 years with lock-in-period of 3 years. IGL's obligations under its leases are secured by the lessor's title to the leased assets. The lease liability has been measured by using the incremental borrowing rate.

Maturity analysis of lease liabilities:

(Rs. in million)

Particulars	Less than 3 months	3 months to 12 months	1 to 5 years	More than 5 years	Total
31 March 2021					
Lease liability	3.40	10.36	32.12	-	45.87
Total	**3.40**	**10.36**	**32.12**	**-**	**45.87**
31 March 2020					
Lease liability	0.95	6.52	45.87	-	53.34
Total	**0.95**	**6.52**	**45.87**	**-**	**53.34**

Note 35: Financial risk management objectives and policies

The Group's principal financial liabilities comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, cash and short-term deposits and other financial assets that derive directly from its operations.

The Group is exposed to credit risk, liquidity risk and market risk. The Investment Manager of the IndiGrid oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The management reviews and agrees policies for managing each of these risks, which are summarised below.

The Risk Management policies of the Group are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Management has overall responsibility for the establishment and oversight of the Group's risk management framework.

(A) Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

The Group through its subsidiaries is engaged in transmission business under BOOM (Build, Own, Operate and Maintain) model and currently derive its revenue primarily from BOOM contracts with long term transmission customers ('LTTC'). The Group also holds transmission infrastructure pertaining to Jhajjar KT Transco Private Limited which operates on a Build Operate and Transfer ("BOT") basis. Being transmission licensee, the Group receives payments as per the pooling arrangements specified under the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 ('Pooling Regulations'). In the PoC method, the transmission charges to be recovered from the entire system are allocated between users based on their location in the grid. Under the PoC mechanism, all the charges collected by the Central Transmission Utility ('CTU') from LTTC's are disbursed pro-rata to all Transmission Service Providers ('TSPs') from the pool in proportion of the respective billed amount. Due to this, the TSPs are shielded against any potential default by a particular customer. If a particular customer delays or defaults, the delay or shortfall is prorated amongst all the TSPs. Based on past history of payments, payments due have always been paid and there have been no write-off's for due amounts. Due to the payment mechanism explained above as well as due to no history of any write-off's of payments which were due, the Group has not considered any expected credit loss on the financial assets in the nature of trade receivables. During the various periods presented, there has been no change in the credit risk of trade receivables. However, this assessment may need a review if there is any change in the Pooling Regulations.

Credit risk from balances deposited/invested with banks and financial institutions as well as investments made in mutual funds, is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. Counterparty limits are reviewed by the top management on an annual basis, and may be updated throughout the year subject to approval of the Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. Based on this policy, the Group does not foresee any risk on account of credit losses, either in the bank deposits which are made with AAA rated banks and also in regard to mutual funds which is primarily debt oriented funds. No loss allowances have been provided for any trade receivables, or other receivables from financing activities like cash and bank deposits, mutual funds and other similar deposits. Also, there have been no modifications in contractual cash flows on financial assets.

The Group's maximum exposure to credit risk for the components of the balance sheet as at 31 March 2021 is the carrying amounts of trade and other receivables, cash and cash equivalents and other assets as disclosed in Note 5, 6, 7, 8, 9 and 10 respectively. However, the credit risk is low due to reasons mentioned above.

(B) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. The Group requires funds both for short term operational needs as well as for long term investment programs mainly in projects. The Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 30 days. The other payables are with short term durations. The carrying amounts are assumed to be reasonable approximation of fair value. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Rs in million

Particulars	**Payable on demand**	**Less than 3 months**	**3 months to 12 months**	**1 to 5 years**	**More than 5 years**	**Total**
31 March 2021						
Borrowings	-	-	-	4,876.67	1,31,188.03	1,36,064.70
Trade payables	-	225.33				225.33
Other financial liabilities (excluding derivative instruments)	-	1,189.30	12,956.51	-	-	14,145.81
Derivatives #	-	73.45	155.39	-	-	228.84
Total	**-**	**1,488.08**	**13,111.90**	**4,876.67**	**1,31,188.03**	**1,50,664.68**
Particulars						
31 March 2020						
Borrowings	-	-	-	22,682.16	16,800.05	39,482.21
Trade payables	-					-
Other financial liabilities (excluding derivative instruments)	-	193.33	1,897.00	-	-	2,090.33
Derivatives #	-	73.45	155.39	833.44	1,458.93	2,521.21
Total	**-**	**266.78**	**2,052.39**	**23,515.60**	**18,258.98**	**44,093.75**

* Excludes lease liability of Rs. 45.87 million (31 March 2020: Rs. 53.34 million). Refer note 34 for maturity analysis of lease liability included in borrowings and financial liabilities.

Based on gross undiscounted cash flows. The MTM as on 31 March 2021 recognised in the books of accounts is Rs. 197.86 million (31 March 2020: Rs. 23.00 million)

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, bank deposits, Investments in short-term mutual funds, and derivative financial instruments.

Interest rate risk
Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rate primarily relates to the Group's long term debt obligations with floating interest rates. To manage this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. As at 31 March 2021, % (31 March 2020: 3.66%) of total borrowings of the Group are at floating interest rates.

Interest rate sensitivity
The Group has taken cross currency interest rate swap to hedge its borrowings at floating interest rates. The swap contract is valid till 31 March 2021 (refer note 30 for details). Hence the disclosures regarding interest rate sensitivity have not been given.

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's foreign currency borrowings and payables in foreign currency (if any).

Note 36: Capital management
For the purpose of the Group's capital management, capital includes issued Unit capital and all other reserves attributable to the unit holders of the Trust. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unitholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to unitholders, return capital to unitholders or issue new units (subject to the provisions of InvIT regulations which require distribution of at least 90% of the net distributable cash flows of the Trust to unit holders). The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio optimum. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents, other bank balances and short term investments.

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Borrowings	1,36,064.70	62,637.00
Trade payables	225.33	332.91
Other financial liabilities	14,343.67	3,617.60
Less: Cash and cash equivalents, other bank balances and short term investments	(27,838.10)	(5,388.15)
Net debt (A)	**1,22,795.60**	**61,199.36**
Unit capital	53,145.69	53,145.69
Other equity	(6,379.84)	(2,659.44)
Total capital (B)	**46,765.85**	**50,486.25**
Capital and net debt (C= A+B)	**1,69,561.45**	**1,11,685.61**
Gearing ratio (C/A)	**72%**	**55%**

Financial Covenants
In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

Note 37: Employment Benefit Obligation For Gratuity

Indigrid Limited

Indigrid Limited has a defined benefit gratuity plan. The gratuity benefits payable to the employees are based on the employee's service. Every employee who has completed five years or more of service gets a gratuity on departure at last drawn salary at the time of leaving. The employee do not contribute towards this plan and the full cost of providing these benefits are met by the Group. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

Changes in the present value of the defined benefit obligation are as follows:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Current service cost	1.96	-
Benefit paid directly by the employer	(0.03)	-
Actuarial (gain)/loss on obligation due to experience	0.03	-
Present value of defined benefit obligation at the end of the year	**1.96**	**-**

Details of defined benefit obligation

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Present value of defined benefit obligation	1.96	-
Fair value of plan assets	-	-
Benefit liability	**1.96**	**-**

Net employee benefit expense recognised in the statement of profit and loss:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Current service cost	1.96	-
Net benefit expense	**1.96**	**-**

Net employee benefit expense recognized in the Other Comprehensive Income:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Actuarial (gain)/loss on obligation for the year	0.03	-
Net (income)/expense for the year recognized in OCI	**0.03**	**-**

Amounts for the current and previous year are as follows:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Defined benefit obligation	1.96	-
Plan assets	-	-
Surplus / (deficit)	(1.96)	-
Experience adjustments on plan liabilities	-	-
Experience adjustments on plan assets	-	-

The principal assumptions used in determining defined benefit obligation are shown below:

Particulars	31 March 2021	31 March 2020
Discount rate	6.82%	6.83%
Expected rate of return on plan asset	-	-
Employee turnover	4.00%	6.00%
Salary escalation rate (p.a)	7.00%	10.00%
Actual rate of return on plan assets	-	-
Retirement age (years)	58	58

The estimated future salary increase, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

A quantative sensitivity analysis for significant assumptions as at 31 March 2021 and 31 March 2020 is as shown below:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Projected benefit obligation on current assumptions	1.96	-
Effect of +1% Change in discount rate	(0.22)	-
Effect of -1% Change in discount rate	0.26	-
Effect of +1% Change in salary escalation rate	0.25	-
Effect of -1% Change in salary escalation rate	(0.22)	-

The following is the expected payment of benefits in the future years:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Within the next 2 years	0.07	-
Between 3 and 5 years	0.20	-
Between 6 and 10 years	1.13	-
Beyond 11 years	3.86	-
Total expected payments	**5.26**	**-**

The weighted average durations to the payment of these cash flows is 12 years at the end of the reporting period.

Parbati Koldam Transmission Company Limited

Parbati Koldam Transmission Company Limited operates a gratuity plan administered by various insurance companies. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Group scheme whichever is beneficial. The same is payable at the time of separation from the Group or retirement, whichever is earlier. The benefits vest after five years of continuous service.

Changes in the present value of the defined benefit obligation are as follows:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Transferred due to acquisition of entity*	8.15	-
Current service cost	0.82	-
Interest Cost	0.55	-
Actuarial (gain)/loss due to change in financial assumptions	0.57	-
Actuarial (gain)/loss on obligation due to experience	(4.04)	-
Present value of defined benefit obligation at the end of the year	**6.05**	**-**

* Pertains to liabilities transferred on acquisition of Parbati Koldam Transmission Company Limited by the Group.

Details of defined benefit obligation

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Present value of defined benefit obligation	6.05	-
Fair value of plan assets	(11.21)	-
Benefit recognized as advance gratuity	**(5.17)**	**-**

Net employee benefit expense recognised in the statement of profit and loss:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Current service cost	0.82	-
Interest cost on defined benefit obligation	(0.10)	-
Net benefit expense	**0.71**	**-**

Net employee benefit expense recognized in the Other Comprehensive Income:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Actuarial (gain)/loss on obligation for the year	(3.47)	-
Return on plan assets , excluding interest income	(0.92)	-
Net (income)/expense for the year recognized in OCI	**(4.39)**	**-**

Changes in Fair Value of plan assets:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Transferred due to acquisition of entity*	9.64	
Interest cost/(income) on plan assets	0.66	
Actual return on plan assets less interest/(income) on plan assets	0.92	
Closing Balance of Fair Value of Plan Assets	**11.21**	**-**

* Pertains to plan assets transferred on acquisition of Parbati Koldam Transmission Company Limited by the Group.

Amounts for the current and previous year are as follows:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Defined benefit obligation	(6.05)	-
Plan assets	11.21	-
Surplus / (deficit)	5.17	-

The principal assumptions used in determining defined benefit obligation are shown below:

Particulars	31 March 2021	31 March 2020
Discount rate	6.58%	-
Expected rate of return on plan asset	-	-
Employee turnover	4.00%	-
Salary escalation rate (p.a)	7.00%	-
Actual rate of return on plan assets	0.92	-
Retirement age (years)	58	-

The estimated future salary increase, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

A quantative sensitivity analysis for significant assumptions as at 31 March 2021 and 31 March 2020 is as shown below:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Projected benefit obligation on current assumptions	6.05	-
Effect of +1% Change in discount rate	(0.55)	-
Effect of -1% Change in discount rate	0.65	-
Effect of +1% Change in salary escalation rate	0.65	-
Effect of -1% Change in salary escalation rate	(0.56)	-

The following is the expected payment of benefits in the future years:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Within the next 2 years	0.95	-
Between 3 and 5 years	0.76	-
Between 6 and 10 years	2.23	-
Beyond 11 years	10.13	-
Total expected payments	**14.08**	**-**

The weighted average durations to the payment of these cash flows is 12 years at the end of the reporting period.

Note 38: List of subsidiaries which are included in consolidation and IndiGrid's effective holding therein are as under:

Name of the Entity	Country of incorporation	Effective ownership as on 31 March 2021	Effective ownership as on 31 March 2020
Directly held by the Trust:			
Indigrid Limited ("IGL")	India	100%	100%
Indigrid 1 Limited ("IGL1") #	India	100%	100%
Indigrid 2 Limited ("IGL2") *	India	100%	100%
Patran Transmission Company Limited ("PTCL")**	India	74%	74%
East-North Interconnection Company Limited@	India	100%	49%
Gurgaon-Palwal Transmission Limited ("GPTL")^	India	49%	0%
Jhajjar KT Transco Private Limited ("JKTPL")^^	India	100%	0%
Parbati Koldam Transmission Company Limited ('PrKTCL') ##	India	74%	0%
NER II Transmission Limited ("NER") @@	India	49%	0%
Indirectly held by the Trust (through subsidiaries):			
Bhopal Dhule Transmission Company Limited ("BDTCL")	India	100%	100%
Jabalpur Transmission Company Limited ("JTCL")	India	100%	100%
Purulia & Kharagpur Transmission Company Limited ("PKTCL")	India	100%	100%
RAPP Transmission Company Limited ("RTCL")	India	100%	100%
Maheshwaram Transmission Limited ("MTL")	India	100%	100%
NRSS XXIX Transmission Limited ("NTL")#	India	100%	100%
Odisha Generation Phase-II Transmission Limited ("OGPTL")*	India	100%	100%

The Trust acquired Indigrid 1 Limited (formerly known as "Sterlite Grid 2 Limited"), which is the holding company of NRSS XXIX Transmission Limited ('NTL') from Sterlite Power Grid Ventures Limited ('SPGVL') (merged with "Sterlite Power Transmission Limited" (SPTL)) pursuant to share purchase agreements dated 30 April 2019 on 04 June 2019. 100% equity share capital of SGL2 is acquired by the Trust as per the share purchase agreement dated 30 April 2019.

* The Trust acquired Indigrid 2 Limited (formerly known as "Sterlite Grid 3 Limited") which is the holding company of Odisha Generation Phase-II Transmission Limited ('OGPTL') from Sterlite Power Grid Ventures Limited ('SPGVL') (merged with "Sterlite Power Transmission Limited" (SPTL)) pursuant to share purchase agreements dated 30 April 2019 on 28 June 2019 respectively. 100% equity share capital of Indigrid 2 Limited is acquired by the Trust as per the share purchase agreement dated 30 April 2019.

** Pursuant to Share Purchase agreement/Shareholders' Agreement ('SPA') dated 19 February 2018, the Trust acquired Patran Transmission Company Limited (PTCL) (referred as "the SPV"), from Techno Power Grid Company Limited and Techno Electric and Engineering Company Limited with effect from 30 August 2018. The Trust holds 74% equity stake in the SPV and on the remaining 26%, the Trust has beneficial interest based on the rights available to it under the SPA.

@ The Trust acquired 49% of paid up equity capital of East-North Interconnection Company Limited ('ENICL') with effect from 24 March 2020 from Sterlite Power Grid Ventures Limited ('SPGVL') (merged with "Sterlite Power Transmission Limited" ('SPTL')) and Sterlite Power Transmission Limited ('SPTL') (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 23 March 2020 ("SPA") and acquired remaining 51% equity stake in ENICL on 26 May 2020.

^The Trust acquired 49% of paid up equity capital of Gurgaon Palwal Transmission Limited ('GPTL') with effect from 28 August 2020 from Sterlite Power Grid Ventures Limited ('SPGVL') (merged with "Sterlite Power Transmission Limited" (SPTL)) and Sterlite Grid 4 Limited ('SGL4'), (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 28 August 2020 ("SPA"). The Trust has finalised purchase consideration for acquisition of entire stake in GPTL and has entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in GPTL from the Selling Shareholders. The Trust has beneficial interest based on the rights available to it under the SPA.

^^ The Trust acquired 74% of paid up equity capital of Jhajjar KT Transco Private Limited ('JKTPL') with effect from 28 September 2020 from Kalpataru Power Transmission Limited, Techno Electric & Engineering Company Limited, (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 29 May 2020 ("SPA") and acquired the remaining 26% equity stake in JKTPL on 03 October 2020.

The Trust acquired 74% of paid up equity capital of Parbati Koldam Transmission Company Limited ('PrKTCL') with effect from 08 January 2021 from Reliance Infrastructure Limited (referred as "the Selling Shareholder") pursuant to Share Purchase Agreement dated 28 November 2020 ("SPA"). The balance 26% share in PrKTCL is held by PowerGrid Corporation of India Limited ("PGCIL").

@@ The Group also acquired 49% of paid up equity capital of NER II Transmission Limited ("NER") with effect from 25 March 2021 from Sterlite Power Transmission Limited (SPTL)) and Sterlite Grid 4 Limited ('SGL4'), (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 05 March 2021, as amended on 25 March 2021 ("SPA"). The Trust has finalised purchase consideration for acquisition of entire stake in NER and has entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in NER from the Selling Shareholders. As of 31 March 2021, the Group has paid additional consideration equivalent to 25% of the total consideration as an advance which would be adjusted towards payable for acquisition of 25% of equity stake.

Note 39: Long Term Incentive Plan

Long Term Incentive Plan 2020 - Indigrid Limited

During the year ended 31 March 2021, Indigrid Limited launched a Long-Term Incentive Plan 2020 ("Scheme"). This Scheme has been formulated by the Nomination and Remuneration Committee and approved by it at its meeting held on 25 May 2020 and approved by the Board at its meeting held on 25 May 2020. The Scheme is established with effect from 01 April 2020 and shall continue to be in force until: (i) its termination by the Board, or (ii) the date on which all of the Unit Linked Rights available for issuance under the Scheme have been issued or have lapsed, or have been cancelled by the Nomination and Remuneration Committee, and the Nomination and Remuneration Committee does not intend to re-issue such lapsed or cancelled Unit Linked Rights. During the year ended 31 March 2021, the Group has allotted the value of 0.12 million units of India Grid Trust to its employees under the Scheme.

Particulars	**31 March 2021 (Rs. in million)**	**31 March 2020 (Rs. in million)**
Opening balance as at the beginning of the year	-	-
LTIP granted during the year	10.52	-
LTIP cancelled during the year	(0.15)	-
Payment towards LTIPs vested	-	-
Balance	**10.37**	**-**
Provision for distribution per unit	0.92	-
Closing balance as at the end of the year	**11.29**	**-**

During the year, the Company has granted 0.12 million units of India Grid Trust to eligible employees under the Long-Term Incentive Plan 2020 ("Scheme") as approved by the Nomination and Remuneration Committee and by the Board at the meetings held on 28 April 2020. Management has made provision of Rs. 11.29 million for 0.12 million units of India Grid Trust granted during the year under this scheme.

Vesting of Unit Linked Rights shall be subject to the conditions that the Grantee is:
a. in continuous employment with the Company;
b. is not serving any notice of resignation/ termination on the date of such Vesting (except in the case of (a) death; (b) Permanent Incapacity suffered by the Grantee; or (c) Retirement; and
c. is not subject to any pending disciplinary proceeding.

The Value of the pay-out would be determined as per following formula:
Value of the vested Unit Linked Rights = Number of Unit Linked Rights Vested * 30 days closing volume weighted average# of IndiGrid market price + (Distribution* earned on the unvested units).

Volume weighted average price of per unit is the 30 days closing average of IndiGrid market price (From 02 March 2021 to 31 March 2021).

* Distribution pay-out is subject to actual declaration accumulated on units and approval of India Grid Trust.

Note 40: Regulatory Deferral Account Balances

Parbati Koldam Transmission Company Limited (PrKTCL)
(i) Determination of Transmission service charges (TSC) chargeable by PrKTCL to its consumers is governed by CERC Tariff Regulation, 2019, whereby CERC determines the Transmission service charges wherein PrKTCL earns assured return of 15.5% p.a. post tax on CERC approved equity in the business. The rate review on account of grossing up with the actual tax rate or "truing up" process during the tariff period is being conducted as per the principle stated in CERC Regulations to adjust the tariff rates downgrade or upgrade to ensure recovery of actual tax paid and assured return on equity.

(ii) During the truing up process, revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) are determined by the regulator and are permitted to be carried forward as regulatory assets/ regulatory liabilities which would be recovered / refunded through future billing based on future tariff determination by the regulator. At the end of each accounting period, PrKTCL also determines regulatory assets/regulatory liabilities in respect of each accounting period on self true up basis.

Market Risk
PrKTCL is in the business of developing the Transmission Line for supplying the eletricity to beneficiary, therefore no demand risk anticipated because the License issued by the CERC for 25 years. The Project is constructed under Cost Plus Contract.

Regulatory Risk
(i) PrKTCL is Operating under Regulatory Environment governed by Central Electricity Regulatory Commission (CERC). Tariff is subject to Rate Regulated Activities.
(ii) PrKTCL determine revenue gaps (i.e. surplus / shortfall in actual returns over returns entitled) in respect of their regulated operations as given in the Guidance Note on Rate Regulated Activities and based on the principles laid down under the relevant tariff regulations / tariff orders notified by the CERC and the actual or expected actions of the regulators under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the respective years for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments / accruals representing revenue gaps are carried forward as regulatory defferal account debit / credit balances which would be recovered / refunded through future billing based on future tariff determination by the regulators in accordance with the respective electricity regulations.
(iii) The key risks and mitigating actions are also placed before the Audit Committee of PrKTCL. PrKTCL's risk management policies are established to identify and analyze the risks faced by PrKTCL, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and PrKTCL's activities.
(iv) PrKTCL's risk for Regulatory Assets are monitored by the Regulatory Team under policies approved by the Board of Directors. The Team identifies, evaluates and protect risks in close cooperation with PrKTCL's operating units. The board provides principles for overall risk management, as well as policies covering specific areas.
(v) Regulatory Assets recognized in the Books of Accounts of PrKTCL are subject to True up by CERC as per Regulation.

Net tax recoverable from beneficiaries:
1. In accordance with the CERC tariff regulation for determination of tariff, the income-tax paid is considered for tariff determination (truing up). Accordingly, PrKTCL has considered deferred tax liability as on 31 March 2021 as Net tax recoverable from beneficiaries.

2. As per the Standard, deferred tax on timing differences which reverse during the tax holiday period should not be recognised. For this purpose, the reversal during the tax holiday period is adjusted against the deferred tax liability created till FY 2020-2021. Therefore, the reversal of timing difference during the tax holiday period, would be considered to be out of the timing difference as at 31 March 2021 and reversed during the period ended 31 March 2021.

Note 41: Code on Social Security

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the Group believes the impact of the change will not be significant.

Note 42: Subsequent event

1. On 27 May 2021, the Board of directors of the Investment Manager approved a distribution of Rs. 3.10 per unit for the period 1 January 2021 to 31 March 2021 to be paid on or before 15 days from the date of declaration.

2. The Group has offered an issue of up to 116,695,404 units of India Grid Trust ("Indigrid" and such units, the "units"), for cash at a price of ₹ 110.00 per unit (the "issue price"), aggregating to ₹ 12,836.49 million* to the eligible unitholders (as defined in the Letter of Offer) on a rights basis in the ratio of one lot for every five lots (each lot comprising 1,701 units) held by them on the record date, being 30 March 2021 (the "Issue") in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 including the rules, circulars and guidelines issued thereunder, including the SEBI Rights Issue Guidelines (the "InvIT Regulations"). The issue opened on 06 April 2021 and closed on 13 April 2021.

3. The Group has filed a Draft Shelf Prospectus ("DSP") on 08 April 2021 for the public issue by the India Grid Trust (the "Trust") of secured, rated, listed, redeemable non-convertible debt securities of face value of ₹ 1,000 each ("NCDs") for an amount aggregating upto ₹ 1,000 crore (the "Shelf Limit"). The issue is being made pursuant to the provisions of the "Guidelines for Issuance of Debt Securities by Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs)" dated 13 April 2018 issued by the Securities and Exchange Board of India read with the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, together with any amendments, circulars and guidelines issued thereunder (the "SEBI ILDS Regulations") and the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, together with any amendments, circulars and guidelines issued thereunder (the "InvIT Regulations"). The issue opened on 28 April 2021 and closed on 30 April 2021.

Note 43: Impact of COVID-19

During the year, the outbreak of the coronavirus disease of 2019 ('COVID-19') spread throughout the world and became a global pandemic. The pandemic triggered a significant downturn globally, including in India. The pandemic curve in India was declining towards the end of 2020 but has resurged again from March 2021.

The management has assessed impact on business and financial risks on account of COVID-19 on the financial information of the Group. The subsidiaries of the Group, which are engaged in operation and maintenance of power transmission lines and substations ('power transmission infrastructure') are governed by Section 63 of The Electricity Act 2003 where in as per the transmission Service Agreements ('TSAs') tariff revenue is accrued based on availability of power transmission infrastructure. Further, the Government of India has declared power transmission as an essential service therefore the Group is able to ensure availability of power transmission infrastructure and carry out maintenance activities during the lock down period.

The management believes that as the tariff revenues are linked to availability, irrespective of the quantum of power transmitted through the power transmission infrastructure and considering the Point of Connection ('PoC') mechanism the risk of non-collection of transmission charges receivables as of 31 March 2021 is minimum. Further, the management does not see any risks in the Group's ability to continue as a going concern and meeting its liabilities as and when they fall due. The management will continue to monitor and assess impact of economic conditions arising due to COVID 19. The impact of COVID 19 may differ from that expected at the date of approval of these consolidated financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)
(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 27 May 2021

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2021

Swapnil Patil
Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 27 May 2021

Jyoti Kumar Agarwal
Chief Financial Officer
Place : Mumbai
Date : 27 May 2021

Independent Auditor's Review Report on the Unaudited Interim Condensed Standalone Ind AS Financial Statements of the Trust as at and for the half year ended September 30, 2023

The Board of Directors
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

We have reviewed the accompanying Unaudited Interim Condensed Standalone Ind AS Financial Statements of India Grid Trust ("the Trust") comprising of the unaudited interim condensed standalone balance sheet as at September 30, 2023, the related unaudited interim condensed standalone statement of profit and loss, including other comprehensive income for the half year ended September 30, 2023, the unaudited condensed standalone cash flow statement for the half year ended September 30, 2023, the unaudited condensed standalone statement of changes in unit holders' equity for the half year ended September 30, 2023, the unaudited standalone Statement of Net Assets at fair value as at September 30, 2023, the unaudited standalone Statement of Total Returns at fair value, the unaudited Statement of Net Distributable Cash Flows ('NDCFs') of the Trust for the half year ended September 30, 2023 and condensed notes to the standalone financial statements, including a summary of material accounting policy information and other explanatory information of the Trust ("Unaudited Interim Condensed Standalone Ind AS Financial Statements") attached herewith, being prepared by Indigrid Investment Managers Limited (the "Investment Manager").

Management's Responsibility for the Interim condensed Financial Statements

The Unaudited Interim Condensed Standalone Ind AS Financial Statements, which are the responsibility of the Investment Manager and has been approved by the Board of Directors of the Investment Manager, have been prepared in accordance with the requirements of Indian Accounting Standard 34 (referred to as "Ind AS 34"), specified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standard) Rules, 2015 (as amended) and read with SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations") and other accounting principles generally accepted in India. These Unaudited Interim Condensed Standalone Ind AS Financial Statements have been prepared solely in connection with raising of fund in accordance with Chapter 7 On 'Guidelines for preferential issue and institutional placement of units by listed InvIT' of SEBI master circular no. SEBI/HO/DDHS/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023, as amended from time to time ("SEBI Institutional Placement Guidelines") and the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended ("InvIT Regulations"). Our responsibility is to express a conclusion on the Unaudited Interim Condensed Standalone Ind AS Financial Statements based on our review.

Scope of review

We conducted our review of the Unaudited Interim Condensed Standalone Ind AS Financial Statements in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Unaudited Interim Condensed Standalone Ind AS Financial Statements are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of Investment Manager personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Unaudited Interim Condensed Standalone Ind AS Financial Statements are not prepared in all material respects in accordance with the requirements of Indian Accounting Standard 34 (referred to as "Ind AS 34"), specified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standard) Rules, 2015 (as amended) and read with SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations") and other accounting principles generally accepted in India, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matter – Restriction of use

This report on the Unaudited Interim Condensed Standalone Ind AS Financial Statements has been issued solely in connection with the purpose specified in management responsibility paragraph above and its intended use and should not be used or referred or distributed for any other purpose.

For S R B C & CO LLP
ICAI Firm registration number: 324982E/E300003
Chartered Accountants

per Huzefa Ginwala
Partner
Membership No.: 111757
UDIN: 23111757BGYQND8363
Place: Pune
Date: December 05, 2023

INDIA GRID TRUST
INTERIM CONDENSED STANDALONE BALANCE SHEET AS AT 30 SEPTEMBER 2023
(All amounts in Rs. million unless otherwise stated)

	Notes	30 September 2023 (Unaudited)	31 March 2023 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	3	0.28	0.49
Intangible assets	4	58.66	64.66
Financial assets			
i. Investment in subsidiaries	5	60,272.70	44,921.40
ii. Investments	6	3,188.46	3,071.84
iii. Loans	7	1,80,266.12	1,56,914.84
iv. Other financial assets	8	811.30	118.30
Other non-current assets	9	-	1.57
Income tax assets (net)		38.26	40.34
		2,44,635.78	**2,05,133.44**
Current assets			
Financial assets			
i. Investments	6	959.47	69.74
ii. Cash and cash equivalent	10	4,921.49	1,936.29
iii. Bank Balances other than (ii) above	11	3,053.68	3,123.80
iv. Other financial assets	8	8,425.04	6,190.18
Other current assets	9	11.60	4.90
		17,371.28	**11,324.91**
Total assets		**2,62,007.06**	**2,16,458.35**
EQUITY AND LIABILITIES			
Equity			
Unit capital	12	69,879.63	65,903.15
Other equity	13		
Retained earnings		2,948.53	3,296.07
Total unit holders' equity		**72,828.16**	**69,199.22**
Non-current liabilities			
Financial liabilities			
i. Borrowings	14	1,62,457.33	1,35,674.58
		1,62,457.33	**1,35,674.58**
Current liabilities			
Financial liabilities			
i. Borrowings	14	24,370.15	9,256.73
ii. Trade payables	15		
a. Total outstanding dues of micro and small enterprises		0.52	1.58
b. Total outstanding dues of creditors other than micro and small enterprises		340.54	73.83
iii. Other financial liabilities	16	1,973.39	2,238.26
Other current liabilities	17	13.68	14.15
Current tax liabilities (net)	18	23.29	-
		26,721.57	**11,584.55**
Total liabilities		**1,89,178.90**	**1,47,259.13**
Total equity and liabilities		**2,62,007.06**	**2,16,458.35**

Summary of material accounting policies — 2.2

The accompanying notes are an integral part of the interim condensed standalone financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 05 December 2023

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 05 December 2023

Urmil Shah
Company Secretary
Membership Number : A23423
Place : Mumbai
Date : 05 December 2023

Navin Sharma
Chief Financial Officer
Place : Mumbai
Date : 05 December 2023

INDIA GRID TRUST
INTERIM CONDENSED STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023
(All amounts in Rs. million unless otherwise stated)

	Notes	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
INCOME			
Revenue from operations	19	12,389.45	10,765.01
Dividend income from subsidiaries		100.95	-
Income from investment in mutual funds		22.71	41.30
Interest income on investment in fixed deposits		128.65	78.96
Other income	20	1.41	-
Total income (I)		**12,643.17**	**10,885.27**
EXPENSES			
Insurance expenses		0.11	-
Investment management fees (refer note 27 and 31)		345.31	4.27
Legal and professional fees		22.12	21.35
Annual listing fee		10.76	11.37
Rating fee		35.94	17.08
Valuation expenses		8.25	2.78
Trustee fee		11.81	4.70
Payment to auditors			
- Statutory audit fees		6.63	1.42
- Other services (including certification)		0.71	0.09
Other expenses	21	61.09	11.67
Depreciation and amortization expense	23	6.21	6.14
Finance costs	22	6,068.55	4,958.58
Impairment of investment in subsidiaries	25	1,567.50	700.79
Total expenses (II)		**8,144.99**	**5,740.24**
Profit before tax (III=I-II)		**4,498.18**	**5,145.03**
Tax expense			
Current tax		14.49	17.65
Deferred tax		-	-
Income tax for earlier years		-	0.08
Tax expense (IV)		**14.49**	**17.73**
Profit for the period (III-IV)		**4,483.69**	**5,127.30**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income for the period		**-**	**-**
Total comprehensive income for the period		**4,483.69**	**5,127.30**
Earnings per unit			
Basic and diluted (in Rs.)	24	6.39	7.32
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the interim condensed standalone financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 05 December 2023

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 05 December 2023

Urmil Shah
Company Secretary
Membership Number : A23423
Place : Mumbai
Date : 05 December 2023

Navin Sharma
Chief Financial Officer
Place : Mumbai
Date : 05 December 2023

INDIA GRID TRUST
INTERIM CONDENSED STANDALONE STATEMENT OF CHANGES IN UNIT HOLDERS' EQUITY FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023
(All amounts in Rs. million unless otherwise stated)

A. Unit capital	Number of units (in millions)	Amount (in millions)
Balance as at 01 April 2022	**700.18**	**65,903.15**
Units issued during the period	-	-
Balance as at 30 September 2022	**700.18**	**65,903.15**
Units issued during the period	-	-
Balance as at 31 March 2023	**700.18**	**65,903.15**
Units issued during the period (refer note 12)	30.80	4,035.00
Issue expenses	-	(58.52)
Balance as at 30 September 2023	**730.98**	**69,879.63**

B. Other equity	Retained earnings	Total other equity
Balance as at 01 April 2022	**2,293.62**	**2,293.62**
Profit for the period	5,127.30	5,127.30
Other comprehensive income for the period	-	-
Less: Distribution during the period (refer note below)	(4,542.41)	(4,542.41)
Balance as at 30 September 2022	**2,878.51**	**2,878.51**
Profit for the period	5,038.74	5,038.74
Other comprehensive income for the period	-	-
Less: Distribution during the period (refer note below)	(4,621.18)	(4,621.18)
Balance as at 31 March 2023	**3,296.07**	**3,296.07**
Profit for the period	4,483.69	4,483.69
Other comprehensive income for the period	-	-
Less: Distribution during the period (refer note below)	(4,831.23)	(4,831.23)
Balance as at 30 September 2023	**2,948.53**	**2,948.53**

Note:

The distributions made by the Trust to its unitholders are based on the Net Distributable Cash Flows (NDCF) of the Trust under the InvIT Regulations and hence part of the same includes repayment of capital as well.

The accompanying notes are an integral part of the interim condensed standalone financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 05 December 2023

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 05 December 2023

Urmil Shah
Company Secretary
Membership Number : A23423
Place : Mumbai
Date : 05 December 2023

Navin Sharma
Chief Financial Officer
Place : Mumbai
Date : 05 December 2023

INDIA GRID TRUST
INTERIM CONDENSED STANDALONE STATEMENT OF CASH FLOW FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023
(All amounts in Rs. million unless otherwise stated)

	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
A. Cash flow (used in) operating activities		
Net profit as per statement of profit and loss	**4,483.69**	**5,127.30**
Adjustment for taxation	14.49	17.73
Profit before tax	**4,498.18**	**5,145.03**
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization expense	6.21	6.14
Impairment of investment in subsidiaries	1,567.50	700.79
Unrealized mark to market loss / (gain) on mutual fund	(4.55)	(12.50)
Interest income on non convertible debentures	(116.63)	(194.57)
Finance cost	6,068.55	4,958.58
Interest income on loans given to subsidiaries	(12,272.82)	(10,570.44)
Dividend income from subsidiaries	(100.95)	-
Income from investment in mutual funds	(18.16)	(28.80)
Interest income on investment in fixed deposits	(128.65)	(78.96)
Operating loss before working capital changes	**(501.32)**	**(74.73)**
Movements in working capital :		
- trade payables	265.65	(14.90)
- other current and non-current financial liabilities	-	(6.91)
- other current and non-current liabilities	(0.46)	(0.80)
- other current and non-current financial asset	(1.19)	0.94
- other current and non-current asset	(5.14)	(1.04)
Changes in working capital	**258.86**	**(22.71)**
Cash (used in) operations	**(242.46)**	**(97.44)**
Direct taxes (paid) / refund	10.88	(25.99)
Net cash flow (used in) operating activities (A)	**(231.58)**	**(123.43)**
B. Cash flow (used in) investing activities		
Purchase of property plant and equipment (including capital work-in-progress)	-	(1.18)
Acquisition of subsidiaries	(21,965.27)	(653.58)
Loans given to subsidiaries	(55,288.21)	(10,737.39)
Loans repaid by subsidiaries	36,802.37	2,386.86
Interest received on loans given to subsidiaries	10,036.48	9,658.49
Dividend received from subsidiaries	100.95	-
Interest received on investment in fixed deposits	131.32	69.87
Income from investment in mutual funds	18.16	41.30
Investment in mutual funds	(28,333.36)	(13,643.39)
Proceeds from mutual funds	27,448.18	12,353.60
(Investment in) / proceeds from fixed deposits (net)	(635.92)	108.41
Net cash flow (used in) investing activities (B)	**(31,685.29)**	**(417.01)**
C. Cash flow (used in)/generated from financing activities		
Proceeds from issue of unit capital	4,035.00	-
Unit issue expense incurred	(58.52)	-
Proceeds of long term borrowings	53,400.00	19,700.00
Repayment of long term borrowings	(11,220.30)	(14,662.90)
Payment of upfront fees of long term borrowings	(335.85)	(57.10)
Finance costs	(6,101.31)	(5,059.29)
Payment of distributions to unitholders	(4,829.98)	(4,541.70)
Net cash flow generated from/(used in) financing activities (C)	**34,889.04**	**(4,620.99)**
Net change in cash and cash equivalents (A + B + C)	**2,972.16**	**(5,161.43)**
Cash and cash equivalents as at beginning of period (D)	1,949.33	7,835.59
Cash and cash equivalents as at the end of period (A + B + C + D)	**4,921.49**	**2,674.16**

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INDIA GRID TRUST

INTERIM CONDENSED STANDALONE STATEMENT OF CASH FLOW FOR THE HALF YEAR ENDED 30 SEPTEMBER 2023

(All amounts in Rs. million unless otherwise stated)

Cash and cash equivalents comprises of:	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)
Balances with banks:		
- On current accounts	815.79	2,629.06
- Deposit with original maturity of less than 3 months #	4,105.70	45.10
Total cash and cash equivalents (refer note 10)	**4,921.49**	**2,674.16**

Includes amount of Rs. 75.70 million (31 March 2023: Rs. Nil) kept in Debt Service Reserve Account ('DSRA') / Interest Service Reserve Account ('ISRA') as per borrowing agreements with lenders.

The accompanying notes are an integral part of the interim condensed standalone financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 05 December 2023

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 05 December 2023

Urmil Shah
Company Secretary
Membership Number : A23423
Place : Mumbai
Date : 05 December 2023

Navin Sharma
Chief Financial Officer
Place : Mumbai
Date : 05 December 2023

INDIA GRID TRUST
Notes to interim condensed Standalone Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

Disclosures Pursuant To SEBI Circulars
(Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023)

A. STATEMENT OF NET ASSETS AT FAIR VALUE

Particulars	30 September 2023 (Unaudited)		31 March 2023 (Audited)	
	Book value	Fair value	Book value	Fair value
A. Assets	2,62,007.06	2,86,311.98	2,16,458.35	2,38,429.94
B. Liabilities	1,89,178.90	1,89,178.90	1,47,259.13	1,47,259.13
C. Net Assets (A-B)	72,828.16	97,133.08	69,199.22	91,170.81
D. Number of units	730.98	730.98	700.18	700.18
E. NAV (C/D)	99.63	132.88	98.83	130.21

Fair values of subsidiaries/SPVs are calculated based on their independent fair values done by experts appointed by the Trust. The fair value of all these revenue-generating assets is determined using discounted cash flows method. The Trust holds 100% equity/beneficial interest in all SPVs except PrKTCL in which it holds 74% and TSESPL in which it holds 66%.

Project wise breakup of fair value of assets

Project	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Indigrid Limited	54,537.25	54,281.67
Indigrid 1 Limited	48,086.30	47,243.47
Indigrid 2 Limited	15,520.79	15,218.70
Patran Transmission Company Limited	2,725.14	2,722.06
East North Interconnection Company Limited	11,728.41	11,803.75
Gurgaon-Palwal Transmission Limited	12,110.52	12,166.19
Jhajjar KT Transco Private Limited	3,336.11	3,334.96
Parbati Koldam Transmission Company Limited	6,373.28	6,539.18
NER II Transmission Limited	53,896.38	53,410.65
IndiGrid Solar-I (AP) Private Limited	3,288.24	3,302.01
IndiGrid Solar-II (AP) Private Limited	3,482.96	3,501.42
Raichur Sholapur Transmission Company Private Limited[1]	2,775.33	2,776.62
Khargone Transmission Limited[2]	16,814.24	16,650.89
TN Solar Power Energy Private Limited[3]	2,242.07	-
Universal Mine Developers And Service Providers Private Limited[3]	2,427.93	-
Terralight Kanji Solar Private Limited[3]	3,742.08	-
Terralight Rajapalayam Solar Private Limited[3]	2,280.14	-
Solar Edge Power And Energy Private Limited[3]	9,739.34	-
PLG Photovoltaic Private Limited[3]	1,466.81	-
Universal Saur Urja Private Limited[3]	4,662.26	-
Terralight Solar Energy Tinwari Private Limited[3]	1,032.34	-
Terralight Solar Energy Charanka Private Limited[3]	978.79	-
Terralight Solar Energy Nangla Private Limited[3]	390.63	-
Terralight Solar Energy Patlasi Private Limited[3]	1,479.82	-
Globus Steel And Power Private Limited[3]	1,934.72	-
Terralight Solar Energy Gadna Private Limited[3]	582.27	-
Godawari Green Energy Private Limited[3]	8,456.05	-
Terralight Solar Energy Sitamau SS Private Limited[3]	100.07	-
Virescent Infrastructure Investment Manager Private Limited[3]	88.89	-
Subtotal	**2,76,279.16**	**2,32,951.57**
Assets (in IndiGrid)	10,032.82	5,478.37
Total assets	**2,86,311.98**	**2,38,429.94**

1 The Trust has acquired Raichur Sholapur Transmission Company Private Limited with effect from 09 November 2022
2. The Trust has acquired Khargone Transmission Limited with effect from 02 March 2023
3. The Trust has acquired 100% units in Virescent Renewable Energy Trust ('Unit Acquisition' in 'VRET') with effect from 25 August 2023. As per the regulatory approvals so obtained, the Trust has dissolved VRET with an effective date of 08 September 2023 and such dissolution has resulted into 15 Special Purpose Vehicles (SPVs) of VRET becoming direct subsidiaries of the Trust. Other assets and liabilities of VRET as on the acquisition date are also disclosed as assets and liabilities of the Trust, with effect from the date of acquisition. Further, net assets of VRET are adjusted with the investment value upon dissolution.

B. STATEMENT OF TOTAL RETURNS AT FAIR VALUE

Particulars	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Total comprehensive income (as per the statement of profit and loss)	4,483.69	5,127.30
Add/ (Less): other changes in fair value not recognized in total comprehensive income	2,333.33	(615.54)
Total Return	**6,817.02**	**4,511.76**

Notes:
1. Fair value of assets as at 30 September 2023 and as at 31 March 2023 and other changes in fair value for the period ended as disclosed in the above tables are based on fair valuation report issued by the independent valuer appointed under the InvIT regulations.

2. Sensitivity analysis with respect to significant unobservable inputs used in the fair value measurement has been disclosed in Note 26A.

INDIA GRID TRUST
Notes to interim condensed Standalone Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

Disclosures pursuant to SEBI Circulars

(Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023)

A) Statement of Net Distributable Cash Flows (NDCFs) of India Grid Trust

Description	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Cash flows received from the Portfolio Assets in the form of interest	**11,191.14**	**8,604.55**
Cash flows received from the Portfolio Assets in the form of dividend	100.95	-
Any other income accruing at IndiGrid level and not captured above, including but not limited to interest/return on surplus cash invested by IndiGrid	152.77	120.26
Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by IndiGrid	1,070.27	387.88
Proceeds from the Portfolio Assets for a capital reduction by way of a buy back or any other means as permitted, subject to applicable law	-	-
Proceeds from sale of assets of the Portfolio Asset not distributed pursuant to an earlier plan to re-invest, or if such proceeds are not intended to be invested subsequently	-	-
Total cash inflow at the IndiGrid level (A)	**12,515.13**	**9,112.69**
Less: Any payment of fees, interest and expense incurred at IndiGrid level, including but not limited to the fees of the Investment Manager and Trustee	(6,837.78)	(5,023.02)
Less: Costs/retention associated with sale of assets of the Portfolio Assets:	-	-
-related debts settled or due to be settled from sale proceeds of Portfolio Assets;	-	-
-transaction costs paid on sale of the assets of the Portfolio Assets; and	-	-
-capital gains taxes on sale of assets/ shares in Portfolio Assets/ other investments.	-	-
Less: Proceeds reinvested or planned to be reinvested in accordance with Regulation 18(7)(a) of the InvIT Regulations	-	-
Less: Repayment of external debt at the IndiGrid level and at the level of any of the underlying portfolio assets/special purpose vehicles (Excluding refinancing)	-	-
Less: Income tax (if applicable) at the standalone IndiGrid level	(14.49)	(17.73)
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	(429.27)	(140.92)
Less: Repair work in relation to the projects undertaken by any of the Portfolio Assets	-	-
Total cash outflows / retention at IndiGrid level (B)	**(7,281.54)**	**(5,181.67)**
Net Distributable Cash Flows (C) = (A+B)	**5,233.59**	**3,931.02**

The Trust acquired VRET on 25 August 2023 and as per regulatory approval the Trust has filed for the dissolution of VRET. The effective date of dissolution is 08 September 2023. Accordingly, the NDCF with respect to VRET for the period of acquisition till the date of dissolution is considered for the purpose of calculation of NDCF for the half year ended 30 September 2023.

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1. Trust information

India Grid Trust ("the Trust" or "IndiGrid") is an irrevocable trust settled by Sterlite Power Transmission Limited (the "Sponsor") on 21 October 2016 pursuant to the Trust Deed under the provisions of the Indian Trusts Act, 1882 and registered with Securities Exchange Board of India ("SEBI") under the SEBI (Infrastructure Investment Trust) Regulations, 2014 (as amended from time to time) as an Infrastructure Investment Trust on 28 November 2016 having registration number IN/InvIT/16-17/0005. The Trustee of IndiGrid is Axis Trustee Services Limited (the "Trustee"). The Investment manager for IndiGrid is Indigrid Investment Managers Limited (the "Investment Manager" or the "Management").

With effect from 20 September 2020, Esoteric II Pte. Limited has also been nominated as sponsor of the Trust.

The objectives of IndiGrid are to undertake activities as an infrastructure investment trust in accordance with the provisions of the InvIT Regulations and the Trust Deed. The principal activity of IndiGrid is to own and invest in power transmission/ solar assets in India with the objective of producing stable and sustainable distributions to unitholders.

As at 30 September 2023, IndiGrid has following project entities ("Special Purpose Vehicles" or "SPVs") or Transmission infrastructure projects on Build, Own, Operate and Maintain ('BOOM') or Build, Own and Operate (BOO) basis:

1. Bhopal Dhule Transmission Company Limited ('BDTCL')
2. Jabalpur Transmission Company Limited ('JTCL')
3. RAPP Transmission Company Limited ('RTCL')
4. Purulia & Kharagpur Transmission Company Limited ('PKTCL')
5. Maheshwaram Transmission Limited ('MTL')
6. Patran Transmission Company Limited ('PTCL')
7. NRSS XXIX Transmission Limited ('NTL')
8. Odisha Generation Phase-II Transmission Limited ('OGPTL')
9. East-North Interconnection Company Limited ('ENICL')
10. Gurgaon-Palwal Transmission Limited ('GPTL')
11. Parbati Koldam Transmission Company Limited ('PrKTCL')
12. NER II Transmission Limited ('NER')
13. Kallam Transmission Limited ('KTL')
14. Raichur Solapur Transmission Company Private Limited ('RSTCPL')
15. Khargone Transmission Limited ('KhTL')

As at 30 September 2023, IndiGrid has following project entities which are transmission infrastructure projects developed on Design, Build, Finance, Operate and Transfer ('DBFOT') basis:

1. Jhajjar KT Transco Private Limited ('JKTPL')

These SPVs have executed Transmission Services Agreements ("TSAs") with Long term transmission customers under which the SPVs have to maintain the transmission infrastructure for 25 or 35 years post commissioning.

As at 30 September 2023, Indigrid has following project entities which are engaged in generation of electricity through Solar projects developed Build, Own, Operate and Maintain ('BOOM') basis:

1. IndiGrid Solar – I (AP) Private Limited ('IndiGrid Solar – I')
2. IndiGrid Solar – II (AP) Private Limited ('IndiGrid Solar – II')
3. TN Solar Power Energy Private Limited (TSPEPL)
4. Universal Mine Developers and Service Providers Private Limited (UMDSPPL)
5. Terralight Kanji Solar Private Limited (TKSPL)
6. Terralight Rajapalayam Solar Private Limited (TRSPL)
7. Solar Edge Power and Energy Private Limited (SEPEPL)
8. PLG Photovoltaic Private Limited (PPPL)
9. Universal Saur Urja Private Limited (USUPL)
10. Terralight Solar Energy Tinwari Private Limited (TSETPL)
11. Terralight Solar Energy Charanka Private Limited (TSECPL)
12. Terralight Solar Energy Nangla Private Limited (TSENPL)
13. Terralight Solar Energy Patlasi Private Limited (TSEPPL)
14. Globus Steel and Power Private Limited (GSPPL)
15. Terralight Solar Energy Gadna Private Limited (TSEGPV)
16. Godawari Green Energy Private Limited (GGEPL)

These SPVs have executed Power Purchase Agreements ("PPAs") with various DISCOM's, where the respective entity is required to sell power at a pre-fixed tariff rates agreed as per PPA for an agreed period.

As at 30 September 2023, Indigrid has following project entity which is in business of developing transmission lines and Switchyards for operations of power projects and generating power :

1. Terralight Solar Energy SitamauSS Private Limited (TSESPL)

The address of the registered office of the Investment Manager is Unit No 101, First Floor, Windsor Village, KoleKalyan Off CST Road, Vidyanagari Marg, Santacruz (East) Mumbai, Maharashtra - 400098, India. The financial statements were approved for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on 05 December 2023.

2. Material Accounting Policies

2.1 Basis of preparation

These interim condensed standalone financial statements (the "financial statements") are the separate financial statements of the Trust and comprise of the Balance Sheet as at September 30, 2023, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Unit Holders' Equity for the period then ended, the Statement of Net Assets at fair value as at 30 September 2023, the Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCFs') for the period then ended and a summary of material accounting policies and other explanatory notes in accordance with Indian Accounting Standards (Ind AS) 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") read with SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations").

The financial statements have been prepared on a historical cost basis, except for certain assets which have been measured at fair value.

The financial statements are presented in Indian Rupees Millions, except when otherwise indicated.

The Interim Condensed Financial Statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Trust's Annual Financial Statements as at 31 March 2023.

The accounting policies adopted in the preparation of Interim Condensed Standalone Financial Statements are consistent with those of Annual Financial Statement as at 31 March 2023. These Interim Condensed Standalone Financial Statements have been prepared solely for the purpose of proposed issue of the units by the Trust and should not be used for any other purpose.

The trust has prepared the financial statements on the basis that it will continue to operate as a going concern. As at 30 September 2023, current liabilities exceed the current assets of the Trust because of current maturity of the long-term borrowings. Trust is exploring the options to refinance the current maturity of the long-term borrowing when they become due for repayment. As per regulation 20 of INVIT regulations 2014, the Trust is eligible for a total debt (net of cash and cash equivalents) of 70% to Asset Under Management (AUM). As at 30 September 2023, the total debt (net of cash and cash equivalents) to AUM is within the prescribed limits.

2.2 Summary of material accounting policies

The interim condensed standalone financial statements do not include all the information and disclosures required in the Annual Financial Statements and should be read in conjunction with the Trust's Annual Financial Statements as at 31 March 2023.

The interim condensed standalone financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of these financial statements are consistent with those of Annual Financial Statements as at 31 March 2023. There has been no change in the material accounting policies in the interim period.

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New and amended standards

The accounting policies adopted and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below:

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 1 April 2023.

Ind AS 1, Presentation of Financial Statements
An entity shall disclose material accounting policy information. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

Ind AS 8, Accounting policies, Change in Accounting Estimates and Errors
Definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'. As per revised definition, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty. An entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information.

An entity may need to change an accounting estimate if changes occur in the circumstances on which the accounting estimate was based or as a result of new information, new developments or more experience. By its nature, a change in an accounting estimate does not relate to prior periods and is not the correction of an error.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

These apply for the first time for the period year ended 30 September 2023 on the financial statements of the Trust.

There were certain amendments to standards which are applicable for the first time for the period ended 30 September 2023, but either the same are not relevant or do not have an impact on the Interim Condensed Standalone financial statements of the Trust.

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(All amounts in Rs. million unless otherwise stated)

Note 3: Property, plant and equipment (PPE)

Particulars	Data Processing Equipment	Total
Gross block		
Balance as at 01 April 2022	1.29	1.29
Additions	-	-
Disposals	-	-
As at 31 March 2023	**1.29**	**1.29**
Additions	-	-
Disposals	-	-
As at 30 September 2023	**1.29**	**1.29**
Accumulated Depreciation		
Balance as at 01 April 2022	0.37	0.37
Charge for the year	0.43	0.43
Disposals	-	-
As at 31 March 2023	**0.80**	**0.80**
Charge for the period	0.21	0.21
Disposals	-	-
As at 30 September 2023	**1.01**	**1.01**
Net Block		
As at 31 March 2023	**0.49**	**0.49**
As at 30 September 2023	**0.28**	**0.28**

Note 4: Intangible Assets

Particulars	Software / License
Gross block	
Balance as at 01 April 2022	77.12
Additions	0.80
Disposals	-
As at 31 March 2023	**77.92**
Additions	-
Disposals	-
As at 30 September 2023	**77.92**
Accumulated Amortization	
Balance as at 01 April 2022	1.38
Charge for the year	11.88
Disposals	-
As at 31 March 2023	**13.26**
Charge for the period	6.00
Disposals	-
As at 30 September 2023	**19.26**
Net Block	
As at 31 March 2023	**64.66**
As at 30 September 2023	**58.66**

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INDIA GRID TRUST
Notes to Interim Condensed Standalone Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

Note 5: Investments in subsidiaries

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Equity investments, at cost (unquoted)		
Indigrid Limited ("IGL")	6,049.09	6,049.09
[17.67 million equity shares (31 March 2023: 17.67 million) of Rs 10 each fully paid-up] (refer note 6)		
Less: Provision for impairment (refer note 25)	(6,049.09)	(5,494.55)
	-	554.54
Indigrid 1 Limited ("IGL1")	14,422.57	14,377.09
[94.42 million equity shares (31 March 2023: 94.42 million) of Rs. 10 each fully paid up]		
Indigrid 2 Limited ("IGL2")	536.84	536.84
[26.05 million equity shares (31 March 2023: 26.05 million) of Rs. 10 each fully paid up]		
Patran Transmission Company Limited ("PTCL")	735.53	735.53
[50.00 million equity shares (31 March 2023: 50.00 million) of Rs 10 each fully paid-up]		
East-North Interconnection Company Limited ("ENICL")	1,290.26	1,290.26
[1.05 million equity shares (31 March 2023: 1.05 million) of Rs. 10 each fully paid up]		
Gurgaon-Palwal Transmission Limited ("GPTL")	909.63	909.63
[0.34 million equity shares (31 March 2023: 0.34 million) of Rs. 10 each fully paid up]		
Jhajjar KT Transco Private Limited ("JKTPL")	1,397.97	1,397.97
[22.66 million equity shares (31 March 2023: 22.66 million) of Rs. 10 each fully paid up]		
Parbati Koldam Transmission Company Limited ("PrKTCL")	3,205.52	3,205.52
[201.90 million equity shares (31 March 2023: 201.90 million) of Rs. 10 each fully paid up]		
NER II Transmission Limited ("NER")	19,545.50	19,536.70
[1.14 million equity shares (31 March 2023: 1.14 million) of Rs. 10 each fully paid up]		
IndiGrid Solar-I (AP) Private Limited ("ISPL-I")	63.53	63.54
[12.00 million equity shares (31 March 2023: 12.00 million) of Rs. 10 each fully paid up]		
Less: Provision for impairment (refer note 25)	(18.31)	-
	45.22	63.54
IndiGrid Solar-II (AP) Private Limited ("ISPL-II")	70.42	70.42
[12.00 million equity shares (31 March 2023: 12.00 million) of Rs. 10 each fully paid up]		
Less: Provision for impairment (refer note 25)	(6.84)	-
	63.58	70.42
Raichur Sholapur Transmission Company Private Limited ("RSTCPL")	103.53	103.53
[80.00 million equity shares (31 March 2023: 80.00 million) of Rs. 10 each fully paid up]		
Khargone Transmission Limited ("KhTL")	135.13	135.13
[0.77 million equity shares (31 March 2023: 0.77 million) of Rs. 10 each fully paid up]		
Virescent Renewable Energy Trust ("VRET") (Dissolved w.e.f. 08 September 2023) (refer note 3 below)	16,864.53	-
Optionally convertible preference shares, at cost (unquoted)		
Indigrid Limited ("IGL")	1,001.96	1,001.96
[27.06 million (31 March 2023: 27.06 million) 0.01% Optionally convertible redeemable non cumulative preference shares ("OCRPS") of Rs. 10 each fully paid-up] *		
Less: Provision for impairment (refer note 25)	(987.81)	-
	14.15	1,001.96
* The OCRPS are either convertible into equity shares of IGL in the ratio of 1:1 or redeemable solely at the option of IGL within a period of 7 years from the date of issue.		
Compulsorily-convertible debentures (unquoted) (at amortised cost)		
IndiGrid Solar-I (AP) Private Limited ("ISPL-I")	472.74	472.74
[81.63 million compulsorily convertible debentures (31 March 2023: 81.63 million) of Rs. 10 each]		
IndiGrid Solar-II (AP) Private Limited ("ISPL-II")	530.00	530.00
[81.00 million compulsorily convertible debentures (31 March 2023: 81.00 million) of Rs. 10 each]		
Total non-current investments	**60,272.70**	**44,921.40**

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(All amounts in Rs. million unless otherwise stated)

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Ownership interest %	
		30 September 2023	31 March 2023
Directly held by the Trust:			
Indigrid Limited ("IGL")	India	100%	100%
Indigrid 1 Limited ("IGL1")	India	100%	100%
Indigrid 2 Limited ("IGL2")	India	100%	100%
Patran Transmission Company Limited ("PTCL")	India	100%	100%
East-North Interconnection Company Limited ("ENICL")	India	100%	100%
Gurgaon-Palwal Transmission Limited ("GPTL")	India	49%	49%
Jhajjar KT Transco Private Limited ("JKTPL")	India	100%	100%
Parbati Koldam Transmission Company Limited ('PrKTCL')	India	74%	74%
NER II Transmission Limited ("NER")	India	49%	49%
IndiGrid Solar-I (AP) Private Limited ("ISPL-I")	India	100%	100%
IndiGrid Solar-II (AP) Private Limited ("ISPL-II")	India	100%	100%
Raichur Sholapur Transmission Company Private Limited ("RSTCPL")[1]	India	100%	100%
Khargone Transmission Limited ('KhTL')[2]	India	49%	49%
TN Solar Power Energy Private Limited ("TSPEPL")[3]	India	100%	0%
Universal Mine Developers And Service Providers Private Limited ("UMDSPPL") [3]	India	100%	0%
Terralight Kanji Solar Private Limited ("TKSPL") [3]	India	100%	0%
Terralight Rajapalayam Solar Private Limited ("TRSPL") [3]	India	100%	0%
Solar Edge Power And Energy Private Limited ("SEPEPL") [3]	India	100%	0%
Universal Saur Urja Private Limited ("USUPL") [3]	India	100%	0%
Terralight Solar Energy Charanka Private Limited ("TSECPL") [3]	India	100%	0%
Terralight Solar Energy Nangla Private Limited ("TSENPL") [3]	India	100%	0%
Terralight Solar Energy Patlasi Private Limited ("TSEPPL") [3]	India	100%	0%
Globus Steel And Power Private Limited ("GSPPL") [3]	India	100%	0%
Terralight Solar Energy Gadna Private Limited ("TSEGPV") [3]	India	100%	0%
Godawari Green Energy Private Limited ("GGEPL") [3]	India	100%	0%
Indirectly held by the Trust (through subsidiaries):			
Bhopal Dhule Transmission Company Limited ("BDTCL")	India	100%	100%
Jabalpur Transmission Company Limited ("JTCL")	India	100%	100%
Purulia & Kharagpur Transmission Company Limited ("PKTCL")	India	100%	100%
RAPP Transmission Company Limited ("RTCL")	India	100%	100%
Maheshwaram Transmission Limited ("MTL")	India	100%	100%
NRSS XXIX Transmission Limited ("NTL")	India	100%	100%
Odisha Generation Phase-II Transmission Limited ("OGPTL")	India	100%	100%
Kallam Transmission Limited ("KTL")	India	100%	100%
PLG Photovoltaic Private Limited ("PPPL") [3]	India	100%	0%
Terralight Solar Energy Tinwari Private Limited ("TSETPL") [3]	India	100%	0%
Terralight Solar Energy Sitamau Ss Private Limited ("TSESPL") [3]	India	66%	0%
Virescent Infrastructure Investment Manager Private Limited ("VIIMPL")[3]	India	100%	0%
Virescent Renewable Energy Project Manager Private Limited ("VREPMPL")[3]	India	100%	0%

1. The Trust acquired 100% equity capital and management control of Raichur Sholapur Transmission Company Private Limited ('RSTCPL') with effect from 09 November 2022 from Simplex Infrastructure Limited, Patel Engineering Limited and BS Limited dated pursuant to Share Purchase Agreement dated 30 July 2022 ("SPA")

2. The Trust acquired 49% of paid up equity capital of Khargone Transmission Limited ('KhTL') with effect from 02 March 2023 from Sterlite Power Transmission Limited (referred as "the seller") pursuant to Share Purchase Agreement dated 21 January 2023 ("SPA"). The Trust has finalised purchase consideration for acquisition of entire stake in KhTL and has entered into a binding agreement with the seller to acquire remaining 51% paid up equity capital in KhTL from the seller. The Trust has beneficial interest based on the rights available to it under the SPA.

3. The Trust has acquired 100% units in Virescent Renewable Energy Trust ('Unit Acquisition' in 'VRET') with effect from 25 August 2023. As per the regulatory approvals so obtained, the Trust has dissolved VRET with an effective date of 08 September 2023 and such dissolution has resulted into 15 Special Purpose Vehicles (SPVs) of VRET becoming direct subsidiaries of IndiGrid. Other assets and liabilities of VRET as on the acquisition date are also disclosed as assets and liabilities of IndiGrid, with effect from the date of acquisition. Further, net assets of VRET are adjusted with the investment value upon dissolution.
Refer note 27 for related party disclosure.

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(All amounts in Rs. million unless otherwise stated)

Note 6: Investments

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Non-Current		
Non-convertible debentures (unquoted) (at amortised cost)		
Indigrid Limited ("IGL")	3,188.46	3,071.84
(665.82 million (31 March 2023: 665.82 million) 0.01% Non-convertible debentures of Rs 10 each)		
Total	**3,188.46**	**3,071.84**
Current		
Unquoted mutual funds (valued at fair value through profit or loss)		
Aggregate book and market value of unquoted investments	959.47	69.74
Total	**959.47**	**69.74**

Note 7: Loans (unsecured, considered good)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Non-current		
Loan to subsidiaries (refer note 27) *	1,80,266.12	1,56,914.84
Total	**1,80,266.12**	**1,56,914.84**

* Loans are non-derivative financial assets which are repayable by subsidiaries upon expiry of period of their respective Transmission Services & Power Purchase Agreement. Further, the subsidiaries are entitled to prepay all or any portion of the outstanding principal with a prior notice. The loan to subsidiary carry interest @ 9.20% to 15.75%.

Note 8: Other financial assets (unsecured, considered good) (carried at amortised cost)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Non-Current		
Security deposits	38.90	38.90
Bank deposits with original maturity of more than 12 months (refer note 11) #	772.40	79.40
Total	**811.30**	**118.30**
Current		
Interest receivable from subsidiaries (refer note 27)	8,308.24	6,071.90
Advance to supplier	3.62	4.45
Interest accrued on deposits	111.06	113.73
Security deposits	1.90	-
Others	0.22	0.10
Total	**8,425.04**	**6,190.18**

Includes amount of Rs 772.40 million (31 March 2023: Rs. 79.40 million) is kept in Debt Service Reserve Account ('DSRA') / Interest Service Reserve Account ('ISRA') as per borrowing agreements with lenders.

Note 9: Other assets (unsecured, considered good)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Non-Current		
Others	-	1.57
Total	**-**	**1.57**
Current		
Prepaid expenses	9.50	4.90
Balance with statutory authorities	2.10	-
Total	**11.60**	**4.90**

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Note 10: Cash and cash equivalents (carried at amortized cost)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Balance with banks		
- in Current accounts	815.79	2.29
Deposit with original maturity of less than 3 months #	4,105.70	1,934.00
Total	**4,921.49**	**1,936.29**

Includes amount of Rs. 75.70 million (31 March 2023: Rs. Nil) kept in Debt Service Reserve Account ('DSRA') / Interest Service Reserve Account ('ISRA') as per borrowing agreements with lenders.

Note 11: Other bank balances

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Non-Current		
Bank deposits with original maturity of more than 12 months	772.40	79.40
Amount disclosed under head "other non current financial asset" (refer note 9)	(772.40)	(79.40)
Total	-	-
Current		
Deposit with original maturity for more than 3 months but less than 12 months #	488.06	1,927.94
Deposit with original maturity for more than 12 months #	2,550.94	1,182.82
Earmarked balance on unclaimed distribution	14.68	13.04
Total	**3,053.68**	**3,123.80**

Includes amount of Rs. 3,025.68 million (31 March 2023: Rs. 2,993.76 million) kept in Debt Service Reserve Account ('DSRA') / Interest Service Reserve Account ('ISRA') as per borrowing agreements with lenders.

Note 12: Unit Capital

Reconciliation of units outstanding at the beginning and at the end of reporting period	**Number of units (In million)**	**Amount (Rs. in million)**
Balance as at 01 April 2022	700.18	65,903.15
Units issued during the year	-	-
Balance as at 31 March 2023	**700.18**	**65,903.15**
Issued during the period (refer note i below)	30.80	4,035.00
Issue expenses (refer note ii below)	-	(58.52)
Balance as at 30 September 2023	**730.98**	**69,879.63**

Note:

i) The Trust on 21 September 2023, allotted 30.80 million Units on preferential basis to the eligible allottees for cash at a price of Rs. 131.00 per unit aggregating to Rs. 4,035.00 million.
ii) Issue expenses of Rs. 58.52 million incurred in connection with issue of units had been reduced from the Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation.

Note 13: Other Equity

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Reserves and Surplus		
Retained earnings		
Balance as per last financial statements	3,296.07	2,293.62
Add: Profit for the period	4,483.69	10,166.04
Less: Distribution paid to unitholders	(4,831.23)	(9,163.59)
Closing balance	**2,948.53**	**3,296.07**

Nature and purpose of reserve:
Retained earnings are the profits/(loss) that the Trust has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to unitholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Interim Condensed Standalone Statement of Profit and Loss.

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INDIA GRID TRUST
Notes to Interim Condensed Standalone Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

Note 14: Borrowings (carried at amortised cost)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Non-Current		
Debentures		
6.65% - 8.20% Public NCD (secured)	9,792.90	9,886.75
7.11% Non-convertible debentures (secured)	4,350.00	4,350.00
8.60% Non-convertible debentures (secured)	2,500.00	2,500.00
7.85% Non-convertible debentures (secured)	4,965.17	4,961.90
7.917% Non-convertible debentures (secured)	4,971.88	4,970.49
7.53% Non-convertible debentures (secured)	2,495.42	2,494.26
9.10% Non-convertible debentures (secured)	-	2,996.63
7.00% Non-convertible debentures (secured)	-	2,496.24
7.70% Non-convertible debentures - Series R NCD (secured) [refer note (i)]	10,989.67	-
6.72% Non-convertible debentures (secured)	8,480.79	8,477.66
6.52% Non-convertible debentures (secured)	3,993.33	3,991.70
7.25% Non-convertible debentures (secured)	1,496.97	1,496.17
7.40% Non-convertible debentures (secured)	995.92	995.09
7.32% Non-convertible debentures (secured)	3,990.87	3,990.50
7.35% Non-convertible debentures - Series S NCD (secured) [refer note (i)]	15,746.31	-
7.84% Non-convertible debentures - Series U NCD (secured) [refer note (i)]	4,981.05	-
	79,750.28	**53,607.39**
Term loans		
Indian rupee loan from banks (secured) [refer note (ii)]	82,707.05	82,067.19
	82,707.05	**82,067.19**
Total non-current borrowings	**1,62,457.33**	**1,35,674.58**
Current		
7.50% Non-convertible debentures - Series T NCD (secured) [refer note (i)]	11,097.64	-
7.50% Non-convertible debentures - Series V NCD (secured) [refer note (i)]	899.81	-
7.70% Non-convertible debentures - Series R NCD (secured) [refer note (i)]	285.00	-
7.35% Non-convertible debentures - Series S NCD (secured) [refer note (i)]	589.38	-
6.65% - 8.20% Public NCD (secured)	101.53	-
9.10% Non-convertible debentures (secured)	2,990.35	-
8.40% Non-convertible debentures (secured) [refer note (iii)]	-	3,499.92
7.00% Non-convertible debentures (secured)	2,497.57	-
8.50% Non-convertible debentures (secured)	3,995.87	3,991.21
Indian rupee loan from banks (secured) [refer note (ii)]	1,913.00	1,765.60
Total current borrowings	**24,370.15**	**9,256.73**
The above amount includes :		
Secured borrowings	1,86,827.48	1,44,931.31
Unsecured borrowings	-	-
Total short term borrowings	**1,86,827.48**	**1,44,931.31**

(i) The above items represent new secured non-convertible debentures that have been issued by the Trust during the half year ended 30 September 2023.
(ii) During the half year ended 30 September 2023, the Trust has taken new Indian rupee loan from banks of Rs. 8,500.00 million (31 March 2023: Rs. 22,700.00 million).
(iii) This has been repaid during the current period.

Terms & Conditions
(A) Non-convertible debentures referred above are secured to the extent of:
(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust/Hold cos to its subsidiaries (direct or indirect) including loans to all project SPVs;
(ii) First pari-passu charge on Escrow account of the Trust;
(iii) Pledge of 99% over the equity share capital of all SPVs except pledge of 73% over the equity share capital of PrKTCL.
(iv) first and exclusive charge on the ISRA/DSRA accounts created for the issue.
(v) first pari-passu charge/pledge over at least 99% of free and available share capital of Specified Other SPVs mentioned, excluding TL Sitamauss in respect of which 65% of free and available shares will be pledged.

(B) Term loan from bank referred above are secured to the extent of:
(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust/Hold cos to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust;
(iii) Pledge of 99% over the equity share capital of all SPVs except pledged of 73% over the equity share capital of PrKTCL.
(iv) Exclusive charge on the ISRA/DSRA accounts created for respective facility.
(v) first pari-passu charge/pledge over at least 99% of free and available share capital of Specified Other SPVs mentioned, excluding TL Sitamauss in respect of which 65% of free and available shares will be pledged.

Repayment schedule
During the half year ended 30 September 2023, the trust has availed borrowing of Rs.53,400 million, repayment schedule of which is as below -

Particulars	Repayment Commencement Date	2024-2025	2025-2026	2026-2027	2027-28	2028-2029 & onward
7.70% Non-convertible debentures - Series R	30 June 2024	570.00	570.00	684.00	684.00	8,892.00
7.35% Non-convertible debentures - Series S	30 June 2024	1,178.76	1,178.76	1,178.76	1,178.76	11,784.96
7.50% Non-convertible debentures - Series T	26 August 2024	11,100.00	-	-	-	-
7.84% Non-convertible debentures - Series U	31 August 2029	-	-	-	-	5,000.00
7.50% Non-convertible debentures - Series V	26 August 2024	900.00	-	-	-	-
7.72% HSBC bank loan	20 August 2026	-	-	1,500.00	1,500.00	1,500.00
7.80% Federal bank loan	23 August 2028	-	-	-	-	4,000.00

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(All amounts in Rs. million unless otherwise stated)

Note 15: Trade payables (carried at amortised cost)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Trade payables		
- total outstanding dues of micro and small enterprises	0.52	1.58
- total outstanding dues of creditors other than micro and small enterprises		
- to related parties (refer note 27)	1.40	1.92
- to others	339.14	71.91
Total	**341.06**	**75.41**

Note 16: Other financial liabilities (carried at amortised cost)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Current		
Interest accrued but not due on borrowings	899.25	984.33
Distribution payable	14.29	13.04
Payable towards project acquired	1,059.85	1,240.89
Total	**1,973.39**	**2,238.26**

Note 17: Other current liabilities

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Current		
Withholding taxes (TDS) payable	13.68	14.15
Total	**13.68**	**14.15**

Note 18: Current tax liabilities (net)

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Current tax liabilities (net)	23.29	-
Total	**23.29**	**-**

Note 19: Revenue from operations

	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Interest income on loans given to subsidiaries (refer note 27)	12,272.82	10,570.44
Finance income on non-convertible debentures issued by subsidiary on EIR basis	116.63	194.57
Total	**12,389.45**	**10,765.01**
Disaggregated revenue information		
Location		
India	12,389.45	10,765.01
Outside India	-	-
Total	**12,389.45**	**10,765.01**
Timing of revenue recognition		
Services transferred over time	12,389.45	10,765.01
Total	**12,389.45**	**10,765.01**

Note 20: Other income

	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Liabilities no long required written back	1.41	-
Total	**1.41**	**-**

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INDIA GRID TRUST
Notes to Interim Condensed Standalone Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

Note 21: Other expenses

	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Rates and taxes	57.01	7.21
Advertisement expenses	1.22	1.60
Miscellaneous expenses	2.86	2.86
Total	**61.09**	**11.67**

Note 22: Finance Cost

	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Interest on financial liabilities measured at amortised cost	6,008.94	4,958.57
Other bank and finance charges	59.61	0.01
Total	**6,068.55**	**4,958.58**

Note 23: Depreciation and amortization expense

	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Depreciation of Property, Plant and equipments	0.21	0.21
Amortisation of intangible assets	6.00	5.93
Total	**6.21**	**6.14**

Note 24: Earnings per unit (EPU)

Basic EPU amounts are calculated by dividing the profit for the period attributable to unit holders by the weighted average number of units outstanding during the period.

Diluted EPU amounts are calculated by dividing the profit for the period attributable to unit holders by the weighted average number of units outstanding during the period plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

The following reflects in the profit and unit data used in the basic and diluted EPU computation	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
Profit after tax for calculating basic and diluted EPU (Rs. in million)	4,483.69	5,127.30
Weighted average number of units in calculating basic and diluted EPU (No. in million)	701.69	700.18
Earnings Per Unit:		
Basic and Diluted (Rupees/unit)	6.39	7.32

The trust doesn't have any outstanding dilutive potential instruments.

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Note 25: Significant accounting judgements, estimates and assumptions

The preparation of the Trust's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements
In the process of applying the Trust's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

(a) Classification of Unitholders' funds
Under the provisions of the InvIT Regulations, IndiGrid is required to distribute to unitholders not less than ninety percent of the net distributable cash flows of IndiGrid for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its unitholders cash distributions. The unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unit holders is recognised as liability when the same is approved by the Investment Manager.

Estimates and assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities or fair value disclosures within the next financial year, are described below. The Trust based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Trust. Such changes are reflected in the assumptions when they occur.

(a) Fair valuation and disclosures
SEBI Circulars issued under the InvIT Regulations require disclosures relating to net assets at fair value and total returns at fair value.
In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuers to perform the valuation. The management works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the valuation report and findings to the Board of the Investment Manager quarterly to explain the cause of fluctuations in the fair value of the transmission / solar projects. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc. Changes in assumptions about these factors could affect the fair value.

(b) Impairment of non-current financial assets
Non-current financial assets of the Trust primarily comprise of investments in subsidiaries.

The provision for impairment/(reversal) of impairment of investments in subsidiaries is made based on the difference between the carrying amounts and the recoverable amounts. The recoverable amount of the investments in subsidiaries has been computed by external independent valuation experts based on value in use calculation for the underlying projects (based on discounted cash flow model). On a periodic basis, according to the recoverable amounts of individual portfolio assets computed by the valuation experts, the Trust tests impairment on the amounts invested in the respective subsidiary companies.

The key assumptions used to determine the recoverable amount for the underlying projects are disclosed and further explained in Note 26A.

(c) Useful life of Property, plant and equipment and intangibles

The management estimates the useful life and residual value of property, plant and equipment and other intangible assets based on technical estimates. These assumptions are reviewed at each reporting date.

(d) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Trust establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

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(All amounts in Rs. million unless otherwise stated)

Note 26A: Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Trust's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value		Fair value	
	30 September 2023	31 March 2023	30 September 2023	31 March 2023
Financial assets at amortized cost				
Cash & cash equivalent	4.921.49	1.949.33	4.921.49	1.949.33
Other bank balance	3.053.68	3.110.76	3.053.68	3.110.76
Investment	3.188.46	3.071.84	3.188.46	3.071.84
Investment in subsidiaries	60.272.70	44.921.40	84.577.62	66.892.99
Loan	1.80.266.12	1.56.914.84	1.80.266.12	1.56.914.84
Other financial assets	9.236.34	6.308.48	9.236.34	6.308.48
Financial assets at fair value				
Investments in mutual funds	959.47	69.74	959.47	69.74
Total	**2,61,898.26**	**2,16,346.39**	**2,86,203.18**	**2,38,317.98**
Financial liabilities at amortized cost				
Borrowings	1,86,827.48	1,44,931.31	1,86,827.48	1,44,931.31
Trade payables	341.06	75.41	341.06	75.41
Other financial liabilities	1,973.39	2,238.26	1,973.39	2,238.26
Total	**1,89,141.93**	**1,47,244.98**	**1,89,141.93**	**1,47,244.98**

The management has assessed that the financial assets and financial liabilities as at period end are reasonable approximations of their fair values except for investment in subsidiaries.

The Trust is required to present the statement of total assets at fair value and statement of total returns at fair value as per SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as a part of these financial statements- Refer Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.

The inputs to the valuation models for computation of fair value of assets for the above mentioned statements are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc.

The significant unobservable inputs used in the fair value measurement required for disclosures categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 30 September 2023 and 31 March 2023 are as shown below:

Description of significant unobservable inputs to valuation:

Significant unobservable inputs	Input for 30 September 2023	Input for 31 March 2023	Sensitivity of input to the fair value	Increase /(decrease) in fair value	
				30 September 2023	31 March 2023
WACC	7.63% to 8.72%	7.70% to 8.53%	+ 0.5%	(11,908.06)	(10,744.00)
			- 0.5%	13,298.80	10,446.00
Tax rate	Normal Tax - 25.168%	Normal Tax - 25.168%	+ 2%	(1,057.01)	(580.08)
			- 2%	1,012.03	531.80
Inflation rate	Revenue(Escalable): 5.00%	Revenue(Escalable): 5.00%	+ 1%	(1,271.67)	(3,127.86)
	Expenses: 2.00% to 4.75%	Expenses: 2.14% to 4.75%	- 1%	858.86	2,574.20

Note 26B: Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Trust's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for assets as at 30 September 2023 and 31 March 2023:	Date of valuation	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets for which fair values are disclosed:				
Investment in subsidiaries (including loan to subsidiaries)	30 September 2023	-	-	2,68,032.20
	31 March 2023	-	-	2,26,879.67
Investments in mutual funds	30 September 2023	-	959.47	-
	31 March 2023	-	69.74	-

There have been no transfers among Level 1, Level 2 and Level 3.

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Note 27: Related party disclosures

I. List of related parties as per the requirements of Ind AS 24 - Related Party Disclosures

(a) Name of related party and nature of its relationship:

Subsidiaries

Indigrid Limited (IGL)
Indigrid 1 Limited (IGL1)
Indigrid 2 Limited (IGL2)
Bhopal Dhule Transmission Company Limited (BDTCL)
Jabalpur Transmission Company Limited (JTCL)
Maheshwaram Transmission Limited (MTL)
RAPP Transmission Company Limited (RTCL)
Purulia & Kharagpur Transmission Company Limited (PKTCL)
Patran Transmission Company Limited (PTCL)
NRSS XXIX Transmission Limited (NTL)
Odisha Generation Phase II Transmission Limited (OGPTL)
East-North Interconnection Company Limited (ENICL)
Gurgaon-Palwal Transmission Limited (GPTL)
Jhajjar KT Transco Private Limited (JKTPL)
Parbati Koldam Transmission Company Limited (PrKTCL)
NER II Transmission Limited (NER)
IndiGrid Solar-I (AP) Private Limited (ISPL1)
IndiGrid Solar-II (AP) Private Limited (ISPL2)
Kallam Transmission Limited (KTL)
Raichur Sholapur Transmission Company Private Limited (RSTCPL) (from 09 November 2022)
Khargone Transmission Limited (KhTL) (from 02 March 2023)
TN Solar Power Energy Private Limited (TSPEPL) (from 25 August 2023)
Universal Mine Developers And Service Providers Private Limited (UMDSPPL) (from 25 August 2023)
Terralight Kanji Solar Private Limited (TKSPL) (from 25 August 2023)
Terralight Rajapalayam Solar Private Limited (TRSPL) (from 25 August 2023)
Solar Edge Power And Energy Private Limited (SEPEPL) (from 25 August 2023)
PLG Photovoltaic Private Limited (PPPL) (from 25 August 2023)
Universal Saur Urja Private Limited (USUPL) (from 25 August 2023)
Terralight Solar Energy Tinwari Private Limited (TSETPL) (from 25 August 2023)
Terralight Solar Energy Charanka Private Limited (TSECPL) (from 25 August 2023)
Terralight Solar Energy Nangla Private Limited (TSENPL) (from 25 August 2023)
Terralight Solar Energy Patlasi Private Limited (TSEPPL) (from 25 August 2023)
Globus Steel And Power Private Limited (GSPPL) (from 25 August 2023)
Terralight Solar Energy Gadna Private Limited (TSEGPV) (from 25 August 2023)
Godawari Green Energy Private Limited (GGEPL) (from 25 August 2023)
Terralight Solar Energy Sitamau Ss Private Limited (TSESPL) (from 25 August 2023)
Virescent Infrastructure Investment Manager Private Limited (VIIMPL) (from 08 September 2023)
Virescent Renewable Energy Project Manager Private Limited (VREPMPL) (from 08 September 2023)
Virescent Renewable Energy Trust (VRET) (from 25 August 2023 till 08 September 2023) (Dissolved w.e.f. 08 September 2023)

(b) Other related parties under Ind AS-24 with whom transactions have taken place during the year

Entities with significant influence over the Trust

Esoteric II Pte. Ltd - Inducted Sponsor of IndiGrid (EPL)
Sterlite Power Transmission Limited (SPTL) - Sponsor of IndiGrid (Declassified as sponsor wef 06 July 2023)
Indigrid Investment Managers Limited (IIML) - Investment manager of IndiGrid

II. List of related parties as per Regulation 2(1)(zv) of the InvIT Regulations

(a) Parties to IndiGrid

Esoteric II Pte. Ltd - Inducted Sponsor of IndiGrid (EPL)
Sterlite Power Transmission Limited (SPTL) - Sponsor of IndiGrid (Declassified as sponsor wef 06 July 2023)
Indigrid Limited (IGL) - Project Manager of IndiGrid (for all SPV's)
Indigrid Investment Managers Limited (IIML) - Investment manager of IndiGrid
Axis Trustee Services Limited (ATSL) - Trustee of IndiGrid (Axis Bank Ltd is Promoter)

(b) Promoters of the parties to IndiGrid specified in (a) above

KKR Ingrid Co-Invest L.P.- Cayman Island - Promoter of EPL
Twin Star Overseas Limited - Promoter of SPTL
Electron IM Pte. Ltd. - Promoter of IIML (Parent with 100% holding of IIML)
Axis Bank Limited - Promoter of ATSL
Axis Capital Limited - Subsidiary of Promoter of Trustee

(c) Directors of the parties to IndiGrid specified in (a) above

Directors of IIML:

Harsh Shah (CEO & Whole-time director) (till 30 June 2022 and re-joined from 30 August 2022)
Jyoti Kumar Agarwal (CFO) (till 30 June 2022) and (CEO & Whole-time director) (from 01 July 2022 till 30 September 2022)
Tarun Kataria
Rahul Asthana (till 25 December 2022)
Ashok Sethi
Hardik Shah
Jayashree Vaidhyanthan
Ami Momaya (from 27 January 2022)

Directors of SPTL (till 06 July 2023):

Pravin Agarwal
Pratik Agarwal
A. R. Narayanaswamy
Anoop Seth
Manish Agarwal
Kamaljeet Kaur (from 29 June 2022)

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INDIA GRID TRUST
Notes to Interim Condensed Standalone Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

Key Managerial Personnel of IIML:
Harsh Shah (CEO & Whole-time director) (till 30 June 2022 and re-joined from 30 August 2022)
Navin Sharma (CFO) (from 19 April 2023)
Urmil Shah (Company Secretary) (from 01 August 2022)
Jyoti Kumar Agarwal (CFO) (till 30 June 2022) and (CEO & Whole-time director) (from 01 July 2022 till 30 September 2022)
Divya Bedi Verma (CFO) (from 01 July 2022 till 15 February 2023)
Swapnil Patil (Company Secretary) (till 31 July 2022)

Directors of ATSL:
Rajesh Kumar Dahiya
Ganesh Sankaran
Deepa Rath

Directors of Esoteric II Pte. Ltd.:
Tang Jin Rong
Madhura Narawane

Relative of directors mentioned above:
Sonakshi Agarwal
Sujata Asthana (till 25 December 2022)

Relative of sponsor mentioned above:
Terra Asia Holdings II Pte. Ltd. ("Terra")*

*In accordance with Regulation 2(1)(zv) of the InvIT Regulations, the seller of the units of VRET being Terra Asia Holdings II Pte. Ltd. ("Terra"), is controlled and/or managed and/or advised, solely by Kohlberg Kravis Roberts & Co. L.P., or by its affiliates (together, the "KKR Group"), along with one of our sponsors, and is a related party of IndiGrid.

III. The transactions with related parties during the period are as follows:-

Particulars	Relation	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
1. Unsecured loans given to subsidiaries			
Bhopal Dhule Transmission Company Limited (BDTCL)	Subsidiary	-	8,324.00
Jabalpur Transmission Company Limited (JTCL)	Subsidiary	9,550.00	1,500.00
Maheshwaram Transmission Limited (MTL)	Subsidiary	3,900.00	-
RAPP Transmission Company Limited (RTCL)	Subsidiary	-	2.00
Purulia & Kharagpur Transmission Company Limited (PKTCL)	Subsidiary	3,500.00	-
NRSS XXIX Transmission Limited (NRSS)	Subsidiary	7,600.00	360.00
Odisha Generation Phase II Transmission Limited (OGPTL)	Subsidiary	10,950.00	-
IndiGrid Solar-I (AP) Private Limited (ISPL1)	Subsidiary	1.10	3.00
IndiGrid Solar-II (AP) Private Limited (ISPL2)	Subsidiary	1.10	9.05
Kallam Transmission Limited (KTL)	Subsidiary	1,030.50	119.00
Indigrid Limited (IGL)	Subsidiary	193.00	230.77
Indigrid 1 Limited (IGL1)	Subsidiary	145.00	186.85
Indigrid 2 Limited (IGL2)	Subsidiary	16.50	2.71
TN Solar Power Energy Private Limited (TSPEPL)	Subsidiary	1,065.39	-
Universal Mine Developers And Service Providers Private Limited (UMDSPPL)	Subsidiary	1,270.90	-
Terralight Kanji Solar Private Limited (TKSPL)	Subsidiary	2,683.49	-
Terralight Rajapalayam Solar Private Limited (TRSPL)	Subsidiary	1,576.94	-
Solar Edge Power And Energy Private Limited (SEPEPL)	Subsidiary	2,851.68	-
Universal Saur Urja Private Limited (USUPL)	Subsidiary	2,465.74	-
Terralight Solar Energy Charanka Private Limited (TSECPL)	Subsidiary	157.13	-
Terralight Solar Energy Nangla Private Limited (TSENPL)	Subsidiary	334.74	-
Terralight Solar Energy Patlasi Private Limited (TSEPPL)	Subsidiary	1,153.64	-
Globus Steel And Power Private Limited (GSPPL)	Subsidiary	1,506.45	-
Terralight Solar Energy Gadna Private Limited (TSEGPV)	Subsidiary	103.62	-
Godawari Green Energy Private Limited (GGEPL)	Subsidiary	2,828.78	-
Virescent Infrastructure Investment Manager Private Limited (VIIMPL)	Subsidiary	400.00	-
Virescent Renewable Energy Project Manager Private Limited (VREPMPL)	Subsidiary	2.50	-

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INDIA GRID TRUST
Notes to Interim Condensed Standalone Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

Particulars	Relation	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
2. Repayment of loan from subsidiaries			
Bhopal Dhule Transmission Company Limited (BDTCL)	Subsidiary	50.70	-
Jabalpur Transmission Company Limited (JTCL)	Subsidiary	9,550.00	1,500.00
Maheshwaram Transmission Limited (MTL)	Subsidiary	3,900.00	-
RAPP Transmission Company Limited (RTCL)	Subsidiary	55.36	25.72
Purulia & Kharagpur Transmission Company Limited (PKTCL)	Subsidiary	3,550.31	13.85
Patran Transmission Company Limited (PTCL)	Subsidiary	15.00	-
NRSS XXIX Transmission Limited (NRSS)	Subsidiary	7,950.00	360.00
Odisha Generation Phase II Transmission Limited (OGPTL)	Subsidiary	10,950.00	-
Jhajjar KT Transco Private Limited (JKTPL)	Subsidiary	30.00	60.51
Parbati Koldam Transmission Company Limited (PrKTCL)	Subsidiary	289.80	289.80
IndiGrid Solar-I (AP) Private Limited (ISPL1)	Subsidiary	22.84	136.98
IndiGrid Solar-II (AP) Private Limited (ISPL2)	Subsidiary	15.36	-
Kallam Transmission Limited (KTL)	Subsidiary	157.00	-
TN Solar Power Energy Private Limited (TSPEPL)	Subsidiary	10.00	-
Universal Mine Developers And Service Providers Private Limited (UMDSPPL)	Subsidiary	20.00	-
Terralight Kanji Solar Private Limited (TKSPL)	Subsidiary	9.00	-
Terralight Rajapalayam Solar Private Limited (TRSPL)	Subsidiary	15.00	-
Solar Edge Power And Energy Private Limited (SEPEPL)	Subsidiary	60.00	-
Universal Saur Urja Private Limited (USUPL)	Subsidiary	50.00	-
Terralight Solar Energy Charanka Private Limited (TSECPL)	Subsidiary	45.00	-
Terralight Solar Energy Gadna Private Limited (TSEGPV)	Subsidiary	2.00	-
Godawari Green Energy Private Limited (GGEPL)	Subsidiary	55.00	-
3. Interest income from subsidiaries			
Bhopal Dhule Transmission Company Limited (BDTCL)	Subsidiary	1,286.97	1,127.60
Jabalpur Transmission Company Limited (JTCL)	Subsidiary	1,523.33	1,445.64
Maheshwaram Transmission Limited (MTL)	Subsidiary	293.82	296.60
RAPP Transmission Company Limited (RTCL)	Subsidiary	151.28	153.59
Purulia & Kharagpur Transmission Company Limited (PKTCL)	Subsidiary	262.35	271.68
Patran Transmission Company Limited (PTCL)	Subsidiary	117.79	118.21
NRSS XXIX Transmission Limited (NRSS)	Subsidiary	1,854.38	1,918.70
Odisha Generation Phase II Transmission Limited (OGPTL)	Subsidiary	806.45	823.59
East-North Interconnection Company Limited (ENICL)	Subsidiary	621.94	632.55
Gurgaon-Palwal Transmission Limited (GPTL)	Subsidiary	735.76	735.76
Jhajjar KT Transco Private Limited (JKTPL)	Subsidiary	109.33	115.00
Parbati Koldam Transmission Company Limited (PrKTCL)	Subsidiary	128.27	142.37
NER II Transmission Limited (NER)	Subsidiary	2,113.70	2,113.70
IndiGrid Solar-I (AP) Private Limited (ISPL1)	Subsidiary	258.95	270.02
IndiGrid Solar-II (AP) Private Limited (ISPL2)	Subsidiary	266.96	270.26
Kallam Transmission Limited (KTL)	Subsidiary	90.34	19.71
Indigrid Limited (IGL)	Subsidiary	64.40	53.45
Indigrid 1 Limited (IGL1)	Subsidiary	4.13	15.42
Indigrid 2 Limited (IGL2)	Subsidiary	46.81	46.59
Raichur Sholapur Transmission Company Private Limited (RSTCPL)	Subsidiary	146.24	-
Khargone Transmission Limited (KhTL)	Subsidiary	1,073.74	-
TN Solar Power Energy Private Limited (TSPEPL)	Subsidiary	16.20	-
Universal Mine Developers And Service Providers Private Limited (UMDSPPL)	Subsidiary	19.32	-
Terralight Kanji Solar Private Limited (TKSPL)	Subsidiary	40.80	-
Terralight Rajapalayam Solar Private Limited (TRSPL)	Subsidiary	23.98	-
Solar Edge Power And Energy Private Limited (SEPEPL)	Subsidiary	83.01	-
PLG Photovoltaic Private Limited (PPPL)	Subsidiary	4.34	-
Universal Saur Urja Private Limited (USUPL)	Subsidiary	36.95	-
Terralight Solar Energy Charanka Private Limited (TSECPL)	Subsidiary	1.78	-
Terralight Solar Energy Nangla Private Limited (TSENPL)	Subsidiary	5.09	-
Terralight Solar Energy Patlasi Private Limited (TSEPPL)	Subsidiary	17.54	-
Globus Steel And Power Private Limited (GSPPL)	Subsidiary	22.91	-
Terralight Solar Energy Gadna Private Limited (TSEGPV)	Subsidiary	1.58	-
Godawari Green Energy Private Limited (GGEPL)	Subsidiary	42.39	-
4. Dividend income from subsidiaries			
Parbati Koldam Transmission Company Limited (PrKTCL)	Subsidiary	100.95	-
5. Adjustment in consideration for equity shares of Indigrid 1 Limited on account of events mentioned in SPA			
Sterlite Power Transmission Limited	Sponsor	45.48	-

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INDIA GRID TRUST
Notes to Interim Condensed Standalone Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

Particulars	Relation	For the half year ended 30 September 2023 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)
6. Adjustment in consideration for equity shares of NER on account of events mentioned in SPA			
Sterlite Power Transmission Limited	Sponsor	8.80	242.20
7. Trustee fee			
Axis Trustee Services Limited (ATSL)	Trustee	2.36	2.16
8. Investment Management Fees			
Indigrid Investment Managers Limited	Investment manager of IndiGrid	345.31	4.27
9. Distribution to unit holders			
Indigrid Investment Managers Limited	Investment manager of IndiGrid	3.81	3.60
Esoteric II Pte. Ltd	Sponsor/Entity with significant influence over the Trust	1,144.72	1,076.29
Harsh Shah	KMP	0.34	0.13
Swapnil Patil	KMP	-	0.04
Sonakshi Agarwal	Relative of director	-	0.12
Sujata Asthana	Relative of director	-	0.79
A. R. Narayanaswamy	Director of Sponsor (SPTL)	0.07	0.12
Navin Sharma	KMP	0.01	-
Urmil Shah	KMP	0.01	-
10. Acquisition of 100% of units in VRET ("Unit Acquisition") along with all the SPVs*			
Terra Asia Holdings II Pte. Ltd. ("Terra")	Related party of Sponsor	22,994.40	-
11. Brokerage Charge paid on acquisition of VRET			
Axis Capital Limited	Subsidiary of Promoter of Axis Trustee	13.57	-
12. Reimbursement of expenses			
Axis Capital Limited	Subsidiary of Promoter of Axis Trustee	27.28	-
13. Interest on Term loans			
Axis Bank Limited	Promoter of Axis Trustee Services Limited	706.54	675.25
14. Term Loan availed			
Axis Bank Limited	Promoter of Axis Trustee Services Limited	-	5,000.00
15. Term Loan repaid			
Axis Bank Limited	Promoter of Axis Trustee Services Limited	225.00	125.00
16. Net Term Deposit - created / (redeemed)			
Axis Bank Limited	Promoter of Axis Trustee Services Limited	(1,059.50)	(275.00)
17. Interest Income on Term Deposit			
Axis Bank Limited	Promoter of Axis Trustee Services Limited	75.98	48.92
18. Upfront fees paid towards Term Loan			
Axis Bank Limited	Promoter of Axis Trustee Services Limited	51.67	14.75

*The Trust has acquired 100% units in Virescent Renewable Energy Trust ('Unit Acquisition' in 'VRET') with effect from 25 August 2023. As per the regulatory approvals so obtained, the Trust has dissolved VRET with an effective date of 08 September 2023 and such dissolution has resulted into 15 Special Purpose Vehicles (SPVs) of VRET becoming direct subsidiaries of IndiGrid. Other assets and liabilities of VRET as on the acquisition date are also disclosed as assets and liabilities of IndiGrid, with effect from the date of acquisition. Further, net assets of VRET are adjusted with the investment value upon dissolution.

IV. The outstanding balances of related parties are as follows:- **(Rs in Million)**

Particulars	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Unsecured loan receivable from subsidiaries	1,80,266.12	1,56,914.84
Interest receivable from subsidiaries	8,308.24	6,071.90
Non-Convertible Debentures of subsidiary (including accrued interest on EIR)	3,188.46	3,071.84
Compulsorily-convertible debentures of subsidiary	1,002.74	1,002.74
Investment in equity shares of subsidiary (excluding provision for impairment)	65,330.05	48,411.25
Optionally convertible redeemable preference shares (excluding provision for impairment)	1,001.96	1,001.96
Payable towards project acquired	-	1,213.10
Outstanding term loan from Axis Bank Limited	19,330.67	19,568.80
Outstanding Term Deposit with Axis Bank Limited	2,283.30	3,342.80
Interest Accrued on Term Deposit with Axis Bank Limited	57.97	48.96
Deposits given to SPTL	-	36.00
Trade payable (IM fees payable)	1.40	1.92

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INDIA GRID TRUST
Notes to Interim Condensed Standalone Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

V. Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.6.6 of chapter 4 of SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder ("SEBI Circulars") are as follows:

For the half year ended 30 September 2023:

In current period the Trust has acquired VRET (refer note 5) and details required are as follows:

(A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):

Rs. In million

Particulars	**VRET**
Enterprise value agreed for acquisition	38,544.00
Enterprise value as per Independent valuer	40,322.00
Method of valuation	Discounted cash flow
Discounting rate (WACC)	7.80% - 8.70%

(B) Material conditions or obligations in relation to the transactions:

There are no open material conditions / obligations related to above transaction, other than regulatory approvals obtained by the Trust.

(C) Rate of interest for external financing:

The Trust has availed external financing at the rate of interest ranging from 7.35% to 7.84% to finance this acquisition.

(D) Any fees or commission paid :
The trust has also paid investment management fee and brokerage of Rs 237.75 million and Rs 13.57 million including taxes respectively for the purpose of this acquisition (refer note 27 III).

For the half year ended 30 September 2022:

No acquisitions were made during the half year ended 30 September 2022.

Note 28: Capital and other Commitments

The Trust and G R Infraprojects Limited ('GRIL') have entered into a framework agreement to acquire 100% stake in Rajgarh Transmission Limited. Cost of the acquisition will be finalized on the date of acquisition.

Note 29: Contingent liability

The Trust has no contingent liabilities as on 30 September 2023 (31 March 2023: Nil).

The Investment Manager of the Trust received a show cause notice from Securities and Exchange Board of India (SEBI) pursuant to an inspection of the Investment Manager and the Trust. The management has responded to such notice and the final outcome is awaited. The management believes that it has sufficient grounds to counter the observations based on facts and the outcome will not have any material adverse effect on Trust's financial position and results of operations.

Note 30: Segment reporting

The disclosures under Ind AS 108 - Operating Segments have been included in the Consolidated Financial Statements and accordingly, not included in these financial statements. Refer note 35 of the Consolidated Financial Statements.

Revenue from operations consists of interest income amounting to Rs. 6,778.38 (30 September 2022 : Rs. 6,605.65) which accounts for more than 10% from a single subsidiary.

Geographic information

Non-current operating assets:

Particulars	**30 September 2023**	**31 March 2023**
India	58.94	65.15
Outside India	-	-
Total	**58.94**	**65.15**

Non-current assets for this purpose consist of property, plant and equipment and intangible assets.

Note 31: Investment management fees

Pursuant to the Investment Management Agreement dated 13 June 2023 (as amended), Investment Manager is entitled to fees @ 1.75% of difference between revenue from operations and operating expenses (other than fees of the Investment Manager) of each SPV per annum or 0.25% of AUM, whichever is lower. For this purpose, operating expenses would not include depreciation, finance costs and income tax expense. There are no changes in the methodology of computation of fees paid to Investment Manager.

Further, during the current period, on the basis of approvals obtained from the board of directors and audit committee in a meeting dated 12 May 2023 and unitholders in the extraordinary general meeting dated 06 June 2023, the investment management agreement is revised to include an acquisition fee amounting to 0.5% of Enterprise Value of assets acquired, subject to achieving Distribution Per Unit (DPU) guidance. Accordingly acquisition fee amounting to Rs. 341.00 million (Rs. 237.75 million during the current quarter) has been provided in the books to the investment manager during the six month ended 30 September 2023.

Note 32: Subsequent event

On 03 November 2023, the Board of directors of the Investment Manager approved a distribution of Rs. 3.55 per unit for the period 01 July 2023 to 30 September 2023 which has been paid on 16 November 2023.

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INDIA GRID TRUST
Notes to Interim Condensed Standalone Financial Statements for the half year ended 30 September 2023
(All amounts in Rs. million unless otherwise stated)

Note 33: Other Information

(i) The Trust does not have any Benami property, where any proceeding has been initiated or pending against the Trust for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Trust does not have any transactions with struck off Companies.
(iii) The Trust have not traded or invested in cryptocurrency or Virtual Currency during the financial period.
(iv) The Trust does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
(v) The Trust has not been declared as a wilful defaulter by any bank or financial institution or any other lender.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 05 December 2023

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 05 December 2023

Urmil Shah
Company Secretary
Membership Number : A23423
Place : Mumbai
Date : 05 December 2023

Navin Sharma
Chief Financial Officer
Place : Mumbai
Date : 05 December 2023

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of India Grid Trust

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of India Grid Trust ("the InvIT"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Changes in Unit Holders' Equity and the Statement of Cash Flow for the year then ended, the Statement of Net Assets at fair value as at March 31, 2023, the Statement of Total Returns at fair value, the Statement of Net Distributable Cash Flows ('NDCFs') of the InvIT for the year then ended and a summary of significant accounting policies and other explanatory notes (hereafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended including any guidelines and circulars issued thereunder (the "InvIT Regulations") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent not inconsistent with InvIT regulations, of the state of affairs of the InvIT as at March 31, 2023, its profit including other comprehensive income, its cash movements and its movement of the unit holders' funds for the year ended March 31, 2023, its net assets at fair value as at March 31, 2023, its total returns at fair value and the net distributable cash flows of the InvIT for the year ended March 31, 2023.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the InvIT in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the InvIT Regulations and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Impairment of investments in subsidiaries and loans given to subsidiaries</u>
(as described in notes 6,7,8 and 26 of the standalone financial statements)</td></tr>
<tr><td>The InvIT has significant investments in subsidiaries and has granted loans to its subsidiaries both aggregating to Rs. 2,04,908.08 million as at March 31, 2023. The value of investments and loans in aggregate comprise 94.66% of total assets in the Balance Sheet.

The subsidiaries are in the business of owning and maintaining transmission assets/ generation of solar power and have entered into Transmission Services Agreement ("TSA") with Long Term Transmission Customers ("LTTC") and Power Purchase Agreement ("PPA") with Solar Energy Corporation of India ("SECI").

At each reporting period end, management assesses the existence of impairment indicators of investments in subsidiaries and loans given to subsidiaries. In case of existence of impairment indicators, the investment and loan balances are subjected to impairment test, where the fair value of the subsidiary is compared with the value of investments and loans given to such subsidiaries.

The processes and methodologies for assessing and determining the fair value of the subsidiary is based on complex assumptions, that by their nature imply the use of the management's judgment, in particular with reference to identification of forecast of future cash flows relating to the period covered by the respective subsidiary's transmission license/ solar power purchase agreement, debt equity ratio, cost of debt, cost of equity, residual value, etc.

Considering the judgment involved in determination of fair values due to inherent uncertainty and complexity of the</td><td>Our audit procedures included, among others, the following:

• We obtained an understanding of the InvIT's process on assessment of impairment of investments in subsidiaries and loans to subsidiaries and the assumptions used by the management, including design and implementation of controls, validation of management review controls. We have tested the operating effectiveness of these controls.

• We obtained and read the valuation report of the InvIT's independent valuation expert, and assessed the expert's competence, capability and objectivity.

• We evaluated the independent valuation expert's methodology, assumptions and estimates used in the calculations.

• We tested on sample basis that the tariff revenues considered in the respective valuation models are in agreement with TSAs / PPAs/ tariff orders.

• We tested completeness, arithmetical accuracy and validity of the data used in the calculations.

• In performing the above procedures, we involved valuation specialists to perform an independent review of methodology and key assumptions used in the valuation.

• We read and assessed the disclosures included in the notes to the standalone financial statements.</td></tr>
</table>

Key audit matters	How our audit addressed the key audit matter
assumptions used in determination of fair values, this is considered as a key audit matter.	
<u>Classification of unit holders' funds as equity</u> *(as described in Note 26 of the standalone financial statements)*	
The InvIT is required to distribute to Unitholders not less than ninety percent of its net distributable cash flows for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instrument which contains both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars No. CIR/IMD/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated November 29, 2016 ("SEBI Circulars") issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated October 20, 2016 dealing with the minimum disclosures for key financial statements. Considering the judgment required for classification of unit holders' funds as equity and liability, this is considered as a key audit matter.	Our audit procedures included, among others: • We obtained and read the requirements for classification of financial liability and equity under Ind AS 32 and evaluated the provisions of SEBI Circulars for classification/presentation of unit holders funds in the financial statements of an Infrastructure Investment Trust. • We read and assessed the disclosures included in the standalone financial statements for compliance with the relevant requirements of InvIT regulations.
<u>Computation and disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value as per InvIT regulations</u> *(as described in Note 26 of the standalone financial statements)*	
The InvIT is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value pursuant to SEBI circulars issued under the InvIT regulations which requires fair valuation of the assets. Such fair valuation has been carried out by the independent valuer appointed by the InvIT.	Our audit procedures included, among others, the following: • We read the requirements of InvIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value. • We discussed with the management and obtained an understating of the InvIT's policy on the assessment of fair value and the assumptions used

Key audit matters	How our audit addressed the key audit matter
For the purpose of the above, fair value is determined by forecasting and discounting future cash flows. The processes and methodologies for assessing and determining the fair value is based on complex assumptions, that by their nature imply the use of the management's judgment, in particular with reference to identification of forecast of future cash flows relating to the period covered by the respective subsidiary's transmission license/ solar power purchase agreement, debt equity ratio, cost of debt, cost of equity, residual value, etc. Considering the judgment involved in determination of fair values due to inherent uncertainty and complexity of the assumptions used in determination of fair values, this is considered as a key audit matter.	by the management, including design and implementation of controls, validation of management review controls. We have tested the operating effectiveness of these controls. • We obtained understating of the InvIT's process for preparation statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value as per InvIT regulations and the assumption used by the management, including design and implementation of controls, validation of management review controls. We have tested the operating effectiveness of these controls. • We obtained and read the valuation report of the InvIT's independent valuation expert, and assessed the expert's competence, capability and objectivity. • We evaluated independent valuation expert's methodology, assumptions and estimates used in the calculations. • We tested on sample basis that the tariff revenues considered in the respective valuation models are in agreement with TSAs / PPAs/ tariff orders. • We tested completeness, arithmetical accuracy and validity of the data used in the calculations. • In performing the above procedures, we used valuation specialists to perform an independent review of methodology and key assumptions used in the valuation. • We read and assessed the disclosures included in the notes to the standalone financial statements.

Other Information

The Management of Indigrid Investment Managers Limited (the "Investment Manager") is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Standalone Financial Statements

The Management of the Investment Manager ('the Management') is responsible for the preparation of these standalone financial statements that give a true and fair view of the financial position as at March 31, 2023, financial performance including other comprehensive income, cash flows and and the movement of the unit holders' funds for the year ended March 31, 2023, the net assets at fair value as at March 31, 2023, the total returns at fair value of the InvIT and the net distributable cash flows of the InvIT for the year ending March 31, 2023 in accordance with the requirements of the InvIT regulations , Indian Accounting Standards (Ind AS) as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with InvIT regulations. This responsibility also includes the design, implementation and maintenance of adequate controls for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the ability of InvIT to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the InvIT or to cease operations, or has no realistic alternative but to do so.

The Management is also responsible for overseeing the InvIT's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the InvIT's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the InvIT's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the InvIT to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(This space has been intentionally left blank)

Report on Other Legal and Regulatory Requirements

Based on our audit, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) The Balance Sheet and the Statement of Profit and Loss including Other Comprehensive Income are in agreement with the books of account;

(c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, to the extent not inconsistent with InvIT Regulations.

(d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Trust.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Huzefa Ginwala
Partner
Membership Number: 111757
UDIN: 23111757BGYQJU3534
Place of Signature: Pune
Date: 12 May 2023

INDIA GRID TRUST
BALANCE SHEET AS AT 31 MARCH 2023
(All amounts in Rs. million unless otherwise stated)

	Notes	31 March 2023	31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	0.49	0.92
Intangible assets	4	64.66	75.74
Investment in subsidiaries	6	44,921.40	42,734.91
Financial assets			
i. Investments	7	3,071.84	6,231.37
ii. Loans	8	1,56,914.84	1,32,476.19
iii. Other financial assets	9	118.30	456.90
Other non-current assets	10	41.91	31.83
		2,05,133.44	**1,82,007.86**
Current assets			
Financial assets			
i. Investments	7	69.74	-
ii. Cash and cash equivalent	11	1,949.33	7,846.97
iii. Bank Balances other than (ii) above	12	3,110.76	2,322.58
iv. Other financial assets	9	6,190.18	3,261.35
Other current assets	10	4.90	-
		11,324.91	**13,430.90**
Total assets		**2,16,458.35**	**1,95,438.76**
EQUITY AND LIABILITIES			
Equity			
Unit capital	13	65,903.15	65,903.15
Other equity	14		
Retained earnings/ (accumulated deficit)		3,296.07	2,293.62
Total unit holders' equity		**69,199.22**	**68,196.77**
Non-current liabilities			
Financial liabilities			
i. Borrowings	15	1,35,674.58	1,07,486.42
		1,35,674.58	**1,07,486.42**
Current liabilities			
Financial liabilities			
i. Borrowings	15	9,256.73	17,215.53
ii. Trade payables	16		
a. Total outstanding dues of micro and small enterprises		1.58	-
b. Total outstanding dues of creditors other than micro and small enterprises		73.83	55.87
iii. Other financial liabilities	17	2,238.26	2,483.37
Other current liabilities	18	14.15	0.80
		11,584.55	**19,755.57**
Total liabilities		**1,47,259.13**	**1,27,241.99**
Total equity and liabilities		**2,16,458.35**	**1,95,438.76**

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP	**For and on behalf of the Board of Directors of**		
Chartered Accountants	**Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)**		
Firm Registration No. 324982E/E300003			
per Huzefa Ginwala	**Harsh Shah**	**Urmil Shah**	**Navin Sharma**
Partner	CEO & Whole Time Director	Company Secretary	Chief Financial Officer
Membership Number : 111757	DIN: 02496122	Membership Number : A23423	
Place : Pune	Place : Mumbai	Place : Mumbai	Place : Mumbai
Date : 12 May 2023	Date : 12 May 2023	Date : 12 May 2023	Date : 12 May 2023

INDIA GRID TRUST
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023
(All amounts in Rs. million unless otherwise stated)

	Notes	31 March 2023	31 March 2022
INCOME			
Revenue from operations	20	21,807.67	20,025.39
Dividend income from subsidiaries		221.90	282.66
Income from investment in mutual funds		74.57	55.26
Interest income on investment in fixed deposits		184.61	106.52
Other income	21	-	19.03
Total income (I)		**22,288.75**	**20,488.86**
EXPENSES			
Legal and professional fees		102.15	71.69
Annual listing fee		11.38	9.83
Rating fee		24.77	28.36
Valuation expenses		5.35	8.25
Trustee fee		6.75	3.32
- Statutory audit fees		5.54	5.43
- Other services (including certification)		0.38	0.64
Other expenses	22	33.37	21.79
Depreciation and amortization expense	24	12.31	1.75
Finance costs	23	10,009.55	9,432.83
Impairment of investment in subsidiaries	26	1,879.20	1,672.75
Total expenses (II)		**12,090.75**	**11,256.64**
Profit before tax (III=I-II)		**10,198.00**	**9,232.22**
Tax expense	19		
Current tax		31.88	23.62
Deferred tax		-	-
Income tax for earlier years		0.08	-
Tax expense (IV)		**31.96**	**23.62**
Profit for the year (III-IV)		**10,166.04**	**9,208.60**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income for the year		**-**	**-**
Total comprehensive income for the year		**10,166.04**	**9,208.60**
Earnings per unit			
Basic and diluted (in Rs.)	25	14.52	13.29
(Computed on the basis of profit for the year)			
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP **Chartered Accountants** **Firm Registration No. 324982E/E300003**	**For and on behalf of the Board of Directors of** **Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)**

per Huzefa Ginwala Partner Membership Number : 111757 Place : Pune Date : 12 May 2023	**Harsh Shah** CEO & Whole Time Director DIN: 02496122 Place : Mumbai Date : 12 May 2023	**Urmil Shah** Company Secretary Membership Number : A23423 Place : Mumbai Date : 12 May 2023	**Navin Sharma** Chief Financial Officer Place : Mumbai Date : 12 May 2023

INDIA GRID TRUST
STATEMENT OF CHANGES IN UNIT HOLDERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2023
(All amounts in Rs. million unless otherwise stated)

A. Unit capital	Nos. in million	Rs. in million
Balance as at 01 April 2021	**583.49**	**53,145.69**
Units issued during the year (Refer note 13)	116.69	12,836.49
Issue expenses	-	(79.03)
Balance as at 31 March 2022	**700.18**	**65,903.15**
Units issued during the year (Refer note 13)	-	-
Issue expenses	-	-
Balance as at 31 March 2023	**700.18**	**65,903.15**

(Rs. in million)

B. Other equity	Retained earnings/ (Accumulated deficit)	Total other equity
Balance as at 01 April 2021	**1,951.03**	**1,951.03**
Profit for the year	9,208.60	9,208.60
Other comprehensive income	-	-
Less: Distribution during the year (refer note below)	(8,866.01)	(8,866.01)
Balance as at 31 March 2022	**2,293.62**	**2,293.62**
Profit for the year	10,166.04	10,166.04
Other comprehensive income	-	-
Less: Distribution during the year (refer note below)	(9,163.59)	(9,163.59)
As at 31 March 2023	**3,296.07**	**3,296.07**

Note:
The distribution relates to the distributions made during the financial year along with the distribution related to the last quarter of FY 2021-22 and does not include the distribution relating to the last quarter of FY 2022-23 which will be paid after 31 March 2023.

The distributions made by IndiGrid to its unitholders are based on the Net Distributable Cash Flows (NDCF) of IndiGrid under the InvIT Regulations and hence part of the same includes repayment of capital as well.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 12 May 2023

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 12 May 2023

Urmil Shah
Company Secretary
Membership Number : A23423
Place : Mumbai
Date : 12 May 2023

Navin Sharma
Chief Financial Officer

Place : Mumbai
Date : 12 May 2023

INDIA GRID TRUST
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2023
(All amounts in Rs. million unless otherwise stated)

	31 March 2023	31 March 2022
A. Cash flow (used in) operating activities		
Net profit as per statement of profit and loss	**10,166.04**	**9,208.60**
Adjustment for taxation	31.96	23.62
Profit before tax	**10,198.00**	**9,232.22**
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization expense	12.31	1.75
Impairment of investment in subsidiaries	1,879.20	1,672.75
Interest income on non convertible debentures	(276.17)	(467.21)
Finance cost	10,009.55	9,432.83
Interest income on loans given to subsidiaries	(21,531.50)	(19,558.18)
Dividend income from subsidiaries	(221.90)	(282.66)
Income from investment in mutual funds	(74.57)	(55.26)
Interest income on investment in fixed deposits	(184.61)	(106.52)
Operating loss before working capital changes	**(189.69)**	**(130.28)**
Movements in working capital :		
- trade payables	19.54	55.87
- other current and non-current financial liabilities	(6.89)	(381.64)
- other current and non-current liabilities	13.35	(9.16)
- other current and non-current financial asset	(2.31)	(34.84)
- other current and non-current asset	(3.05)	(3.42)
Changes in working capital	**20.64**	**(373.19)**
Cash (used in) operations	**(169.05)**	**(503.47)**
Direct taxes paid (net of refunds)	(43.89)	(32.32)
Net cash flow (used in) operating activities (A)	**(212.94)**	**(535.79)**
B. Cash flow (used in) investing activities		
Purchase of property plant and equipment (including capital work-in-progress)	(0.80)	(76.52)
Purchase of equity shares/NCD/CCD / loan of subsidiaries	(1,126.27)	(6,997.63)
Loans given to subsidiaries	(28,213.83)	(26,827.23)
Loans repaid by subsidiaries	4,028.46	5,713.00
Interest income on loans given to subsidiaries	18,650.39	16,885.69
Dividend received from subsidiaries	221.90	282.66
Interest income on investment in fixed deposits	139.20	64.39
Income from investment in mutual funds	74.57	55.26
Investment in mutual funds	(19,965.61)	(44,432.58)
Proceeds from mutual funds	19,895.87	44,432.58
Investment in fixed deposits (net)	(449.58)	(1,899.53)
Net cash flow (used in) investing activities (B)	**(6,745.70)**	**(12,799.91)**
C. Cash flow (used in)/from financing activities		
Proceeds from issue of unit capital	-	12,836.49
Unit issue expense incurred	-	(79.03)
Proceeds of long term borrowings	37,699.99	51,600.00
Repayment of long term borrowings	(17,433.20)	(31,440.18)
Payment of upfront fees of long term borrowings	(156.51)	(272.57)
Finance costs	(9,887.35)	(9,503.03)
Payment of distributions to unitholders	(9,161.93)	(8,864.21)
Net cash flow (used in)/from financing activities (C)	**1,061.00**	**14,277.47**
Net change in cash and cash equivalents (A + B + C)	**(5,897.64)**	**941.77**
Cash and cash equivalents as at beginning of year (D)	7,846.97	6,905.20
Cash and cash equivalents as at the end of year (A + B + C + D)	**1,949.33**	**7,846.97**

INDIA GRID TRUST
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2023
(All amounts in Rs. million unless otherwise stated)

Components of cash and cash equivalents:	**31 March 2023**	**31 March 2022**
Balances with banks:		
- On current accounts ^	15.33	7,846.97
- Cheques on hand	-	-
- Deposit with original maturity of less than 3 months	1,934.00	-
Cash in hand	-	-
Total cash and cash equivalents (refer note 11)	**1,949.33**	**7,846.97**

^ Out of total amount, Rs. 13.04 million (31 March 2022: Rs. 11.38 million) pertains to unclaimed distribution to unitholders.

Reconciliation between opening and closing balances for liabilities arising from financing activities (including current maturities) :-

Particulars	**Long term borrowings (Including current maturities)**
01 April 2021	**1,06,333.30**
Cash flow	
- Interest	(9,503.03)
- Proceeds/(repayments)	19,887.25
Accrual	8,965.62
31 March 2022	**1,25,683.14**
Cash flow	
- Interest	(9,887.35)
- Proceeds/(repayments)	20,110.28
Accrual	10,009.57
31 March 2023	**1,45,915.64**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 12 May 2023

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 12 May 2023

Urmil Shah
Company Secretary
Membership Number : A23423
Place : Mumbai
Date : 12 May 2023

Navin Sharma
Chief Financial Officer
Place : Mumbai
Date : 12 May 2023

Disclosures Pursuant To SEBI Circulars
(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the InvIT Regulations)

A. STATEMENT OF NET ASSETS AT FAIR VALUE AS AT

(Rs. in million)

Particulars	31 March 2023		31 March 2022	
	Book value	Fair value	Book value	Fair value
A. Assets	2,16,458.35	2,38,429.94	1,95,438.76	2,20,394.66
B. Liabilities (at book value)	1,47,259.13	1,47,259.13	1,27,241.99	1,27,241.99
C. Net Assets (A-B)	69,199.22	91,170.81	68,196.77	93,152.67
D. Number of units	700.18	700.18	700.18	700.18
E. NAV (C/D)	98.83	130.21	97.40	133.04

Fair values of subsidiaries/SPVs are calculated based on their independent fair value done by experts appointed by the Trust. The fair value of all these revenue-generating assets is determined using this method. The Trust holds 100% equity/beneficial interest in all SPVs except PrKTCL, in which it holds 74% with the balance 26% held by PGCIL and accounted for as non-controlling interest in the financial statements.

Project wise breakup of fair value of assets as at 31 March 2023 **(Rs. in million)**

Project	31 March 2023	31 March 2022
Indigrid Limited	54,281.67	47,499.06
Indigrid 1 Limited	47,243.47	48,175.26
Indigrid 2 Limited	15,218.70	15,031.54
Patran Transmission Company Limited	2,722.06	2,723.03
East North Interconnection Company Limited	11,803.75	12,141.93
Gurgaon-Palwal Transmission Limited	12,166.19	12,505.91
Jhajjar KT Transco Private Limited	3,334.96	3,550.85
Parbati Koldam Transmission Company Limited	6,539.18	9,792.84
NER II Transmission Limited	53,410.65	53,811.13
IndiGrid Solar-I (AP) Private Limited	3,302.01	4,117.89
IndiGrid Solar-II (AP) Private Limited	3,501.42	4,116.47
Raichur Sholapur Transmission Company Private Limited*	2,776.62	-
Khargone Transmission Limited#	16,650.89	-
Subtotal	**2,32,951.57**	**2,13,465.91**
Assets (in IndiGrid)	5,478.37	6,928.75
Total assets	**2,38,429.94**	**2,20,394.66**

* The Trust has acquired Raichur Sholapur Transmission Company Private Limited with effect from 09 November 2022
# The Trust has acquired Khargone Transmission Limited with effect from 02 March 2023

B. STATEMENT OF TOTAL RETURNS AT FAIR VALUE

Particulars	31 March 2023	31 March 2022
Total comprehensive income (as per the statement of profit and loss)	10,166.04	9,208.60
Add/ (Less): other changes in fair value not recognized in total comprehensive income	(2,984.31)	(4,818.90)
Total Return	**7,181.73**	**4,389.70**

Notes:
1. Fair value of assets as at 31 March 2023 and as at 31 March 2022 and other changes in fair value for the year then ended as disclosed in the above tables are based on fair valuation report issued by the independent valuer appointed under the InvIT regulations.

2. Sensitivity analysis with respect to significant unobservable inputs used in the fair value measurement has been disclosed in Note 27A.

INDIA GRID TRUST
Notes to Standalone Financial Statements for the year ended 31 March 2023
(All amounts in Rs. million unless otherwise stated)

Disclosures pursuant to SEBI Circulars

(SEBI Circular No. CIR/IMD/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated November 29, 2016 issued under the InvIT Regulations)

A) Statement of Net Distributable Cash Flows (NDCFs) of India Grid Trust

Description	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
Cash flows received from the Portfolio Assets in the form of interest	**17,768.08**	**16,885.69**
Cash flows received from the Portfolio Assets in the form of dividend	221.90	282.66
Any other income accruing at IndiGrid level and not captured above, including but not limited to interest/return on surplus cash invested by IndiGrid	259.18	161.96
Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by IndiGrid	1,665.40	4,132.52
Proceeds from the Portfolio Assets for a capital reduction by way of a buy back or any other means as permitted, subject to applicable law	-	-
Proceeds from sale of assets of the Portfolio Asset not distributed pursuant to an earlier plan to re-invest, or if such proceeds are not intended to be invested subsequently	-	-
Total cash inflow at the IndiGrid level (A)	**19,914.56**	**21,462.83**
Less: Any payment of fees, interest and expense incurred at IndiGrid level, including but not limited to the fees of the Investment Manager and Trustee	(10,236.69)	(9,371.42)
Less: Costs/retention associated with sale of assets of the Portfolio Assets:	-	-
-related debts settled or due to be settled from sale proceeds of Portfolio Assets;	-	-
-transaction costs paid on sale of the assets of the Portfolio Assets; and	-	-
-capital gains taxes on sale of assets/ shares in Portfolio Assets/ other investments.	-	-
Less: Proceeds reinvested or planned to be reinvested in accordance with Regulation 18(7)(a) of the InvIT Regulations	-	-
Less: Repayment of external debt at the IndiGrid level and at the level of any of the underlying portfolio assets/special purpose vehicles (Excluding refinancing)	-	-
Less: Income tax (if applicable) at the standalone IndiGrid level	(31.96)	(23.62)
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	(597.79)	(2,609.64)
Less: Repair work in relation to the projects undertaken by any of the Portfolio Assets	-	(35.00)
Total cash outflows / retention at IndiGrid level (B)	**(10,866.44)**	**(12,039.68)**
Net Distributable Cash Flows (C) = (A+B)	**9,048.12**	**9,423.15**

1. Trust information

India Grid Trust ("the Trust" or "IndiGrid") is an irrevocable trust settled by Sterlite Power Transmission Limited (the "Sponsor") on October 21, 2016 pursuant to the Trust Deed under the provisions of the Indian Trusts Act, 1882 and registered with Securities Exchange Board of India ("SEBI") under the SEBI (Infrastructure Investment Trust) Regulations, 2014 (as amended from time to time) as an Infrastructure Investment Trust on November 28, 2016 having registration number IN/InvIT/16-17/0005. The Trustee of IndiGrid is Axis Trustee Services Limited (the "Trustee"). The Investment manager for IndiGrid is Indigrid Investment Managers Limited (the "Investment Manager" or the "Management").

With effect from September 20, 2020, Esoteric II Pte. Limited has also been nominated as sponsor of the Trust.

The objectives of IndiGrid are to undertake activities as an infrastructure investment trust in accordance with the provisions of the InvIT Regulations and the Trust Deed. The principal activity of IndiGrid is to own and invest in power transmission/ solar assets in India with the objective of producing stable and sustainable distributions to unitholders.

As at March 31, 2023, IndiGrid has following project entities ("Special Purpose Vehicles" or "SPVs") or Transmission infrastructure projects on Build, Own, Operate and Maintain ('BOOM') or Build, Own and Operate (BOO) basis:

1. Bhopal Dhule Transmission Company Limited ('BDTCL')
2. Jabalpur Transmission Company Limited ('JTCL')
3. RAPP Transmission Company Limited ('RTCL')
4. Purulia & Kharagpur Transmission Company Limited ('PKTCL')
5. Maheshwaram Transmission Limited ('MTL')
6. Patran Transmission Company Limited ('PTCL')
7. NRSS XXIX Transmission Limited ('NTL')
8. Odisha Generation Phase-II Transmission Limited ('OGPTL')
9. East-North Interconnection Company Limited ('ENICL')
10. Gurgaon-Palwal Transmission Limited ('GPTL')
11. Parbati Koldam Transmission Company Limited ('PrKTCL')
12. NER II Transmission Limited ('NER')
13. Kallam Transmission Limited ('KTL')
14. Raichur Solapur Transmission Company Private Limited ('RSTCPL')
15. Khargone Transmission Limited ('KgTL')

As at March 31, 2023, IndiGrid has following project entities which are transmission infrastructure projects developed on Design, Build, Finance, Operate and Transfer ('DBFOT') basis:

1. Jhajjar KT Transco Private Limited ('JKTPL')

These SPVs have executed Transmission Services Agreements ("TSAs") with Long term transmission customers under which the SPVs have to maintain the transmission infrastructure for 25 or 35 years post commissioning.

As at March 31, 2023, following project entities which are engaged in generation of electricity through Solar projects developed Build, Own, Operate and Maintain ('BOOM') basis:

1. IndiGrid Solar – I (AP) Private Limited ('IndiGrid Solar – I')
2. IndiGrid Solar – II (AP) Private Limited ('IndiGrid Solar – II')

These SPVs have executed Power Purchase Agreements ("PPAs") with Solar Energy Corporation Limited ('SECI') for sale of electricity for 25 years post commissioning.

The address of the registered office of the Investment Manager is Unit No 101, First Floor, Windsor Village, KoleKalyan Off CST Road, Vidyanagari Marg, Santacruz (East) Mumbai, Maharashtra - 400098, India. The financial statements were authorised for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on 12 May 2023.

2. Significant Accounting Policies

2.1 Basis of preparation

These financial statements are the separate financial statements of the Trust and comprise of the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Unit Holders' Equity for the year then ended, the Statement of Net Assets at fair value as at March 31, 2023, the Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCFs') for the year then ended and a summary of significant accounting policies and other explanatory notes in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") read with SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations").

The financial statements have been prepared on a historical cost basis, except for certain assets which have been measured at fair value.

The financial statements are presented in Indian Rupees Millions, except when otherwise indicated.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.As at March 31, 2023, current liabilities exceed the current assets of the Trust because of current maturity of the long-term borrowings. Trust is exploring the options to refinance the current maturity of the long-term borrowing when they become due for repayment. As per regulation 20 of INVIT regulations 2014, the Trust is eligible for a total debt (net of cash and cash equivalents) of 70% to AUM. As at March 31, 2023, the total debt (net of cash and cash equivalents) to AUM is within the prescribed limits

2.2 Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Trust in preparing its financial statements:

a) Current versus non-current classification

The Trust presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Trust classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Trust is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Trust has identified twelve months as its operating cycle.

b) Foreign currencies

The Trust's financial statements are presented in INR, which is its functional currency. The Trust does not have any foreign operation.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Trust at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

c) Fair value measurement

The Trust measures financial instruments such as mutual funds at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Trust.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Trust uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Trust determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In estimating the fair value of investments in subsidiaries, the Trust engages independent qualified external valuers to perform the valuation. The management works closely with the external valuers to establish the appropriate valuation techniques and inputs to the model. The management in conjunction with the external valuers also compares the change in fair value with relevant external sources to determine whether the change is reasonable. The management reports the valuation report and findings to the Board of the Investment Manager on a quarterly basis to explain the cause of fluctuations in the fair value of the transmission/ solar projects.

At each reporting date, the management analyses the movement in the values of assets and liabilities which are required to be remeasured or reassessed as per the Trust's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Trust has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy (Note 27B)
- Disclosures for valuation methods, significant estimates and assumptions (Note 26)
- Financial instruments (including those carried at amortised cost) (Note 27A)

d) Revenue Recognition

The specific recognition criteria described below must be met before revenue is recognised.

Interest income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or

a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Trust estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.
For compulsory convertible debentures being equity instrument, the interest income is recognised on the basis of actual interest rate.
For financial assets at fair value through profit or loss which are carried in the balance sheet at fair value, interest income is recognised in the statement of profit and loss when right to receive is established.

Dividends

Income from dividend on investments is accrued in the year in which it is declared, whereby the Trust's right to receive is established.

e) Taxation

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Trust relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased costs as a result of measures to reduce carbon emission.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/value added/goods and service taxes paid on acquisition of assets or on incurring expenses.

Expenses and assets are recognised net of the amount of sales/value added/goods and service taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

f) Property, plant and equipment

Capital work in progress, property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. No decommissioning liabilities are expected or be incurred on the assets of plant and equipment.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

(Life in number of years)

Asset Category	Useful Life considered	Useful life (Schedule II#)
Data processing equipments	3	3-6

g) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over their estimated useful life on a straight-line basis. Software is amortised over the estimated useful life ranging from 5-10 years.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gains or losses arising from derecognition of an intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

h) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Trust incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

i) Leases

The Trust assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Trust as lessee

The Trust applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Trust recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Trust recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease Liabilities

At the commencement date of the lease, the Trust recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the payments of penalties for terminating the lease, if the lease term reflects the Trust exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Trust uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Trust applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

j) Impairment of non-financial assets

The Trust assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Trust estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Trust bases its impairment calculations on detailed budget and forecast calculations. These budgets are prepared for the entire project life.

Impairment losses of continuing operations are recognised in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Trust estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

The Trust assesses where climate risks could have a significant impact, such as the introduction of emission-reduction legislation that may increase costs. These risks in relation to climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount, these assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

k) Provisions

Provisions are recognised when the Trust has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Trust expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

l) Investments in subsidiaries

The Trust accounts for its investments in subsidiaries at cost less accumulated impairment losses (if any) in its separate financial statements. Investments accounted for at cost which are held for sale are accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Trust commits to purchase or sell the asset.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Trust’s business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Trust has applied the practical expedient, the Trust initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Trust has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

i. Debt instruments at amortised cost
ii. Debt instruments at fair value through other comprehensive income (FVTOCI)
iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most relevant to the Trust. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss. This category generally applies to interest receivable and loans given to subsidiaries (Refer Note 8 and 9)

Debt instrument at FVTOCI

A 'debt instrument' is classified as FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, interest income, impairment losses and reversals and foreign exchange gain or loss are recognised in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Trust does not have financial assets which are subsequently measured at FVTOCI.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Trust may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Trust may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Trust makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Trust decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Trust may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Trust's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Trust has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Trust has transferred substantially all the risks and rewards of the asset, or (b) the Trust has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Trust has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Trust continues to recognise the transferred asset to the extent of the Trust's continuing involvement. In that case, the Trust also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Trust has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Trust could be required to repay.

Impairment of financial assets

Majority of the financial assets of the Trust which are not reflected at fair value pertain to investments in/ loans to subsidiaries and other receivables. Considering the nature of business, the Trust does not foresee any credit risk on its investments/ loans given to subsidiaries. However, these subsidiaries are SPV entities having Power Purchase Agreement with Long Term Transmission Customers for a period of 25/35 years. Hence, this needs to be tested for impairment. Majority of the other receivable pertain to receivable from subsidiary companies only. Also, the Trust does not have any history of impairment of other receivables.

For the financial assets which are reflected at fair value, no further impairment allowance is necessary as they reflect the fair value of the relevant financial asset itself.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Trust's financial liabilities include borrowings and related costs, trade and other payables and derivative financial instrument.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Trust that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to P&L. However, the Trust may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to borrowings. For more information refer Note 15.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative cause some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Trust does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Trust determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Trust's senior management determines change in the business model as a result of external or internal changes which are significant to the Trust's operations. Such changes are evident to external parties. A change in the business model occurs when the Trust either begins or ceases to perform an activity that is significant to its operations. If the Trust reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Trust does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	**Revised Classification**	**Accounting Treatment**
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit or loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit or loss at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

n) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Trust's cash management.

o) Cash distribution to unit holders

The Trust recognises a liability to make cash distributions to unit holders when the distribution is authorised, and a legal obligation has been created. As per the InvIT Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in unitholders equity.

p) Earnings per unit

Basic earnings per unit is calculated by dividing the net profit or loss attributable to unit holders of the Trust (after deducting preference dividends and attributable taxes if any) by the weighted average number of units outstanding during the period. The weighted average number of units outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, split, and reverse split (consolidation of units) that have changed the number of units outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per unit, the net profit or loss for the period attributable to unit holders of the Trust and the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

(All amounts in Rs. million unless otherwise stated)

Note 3: Property, plant and equipment (PPE)

Particulars	Data Processing Equipment	Total
Gross block		
As at 01 April 2021	-	-
Additions	1.29	1.29
Disposals	-	-
As at 31 March 2022	**1.29**	**1.29**
Additions	-	-
Disposals	-	-
As at 31 March 2023	**1.29**	**1.29**
Depreciation		
As at 01 April 2021	-	-
Charge for the year	0.37	0.37
Disposals	-	-
As at 31 March 2022	**0.37**	**0.37**
Charge for the year	0.43	0.43
Disposals	-	-
As at 31 March 2023	**0.80**	**0.80**
Net Block		
As at 31 March 2022	**0.92**	**0.92**
As at 31 March 2023	**0.49**	**0.49**

Note 4: Intangible Assets

Particulars	Intangible assets
Gross block	
As at 01 April 2021	-
Additions	77.12
Disposals	-
As at 31 March 2022	**77.12**
Additions	0.80
Disposals	-
As at 31 March 2023	**77.92**
Amortization	
As at 01 April 2021	-
Charge for the year	1.38
Disposals	-
As at 31 March 2022	**1.38**
Charge for the year	11.88
Disposals	-
As at 31 March 2023	**13.26**
Net Block	
As at 31 March 2022	**75.74**
As at 31 March 2023	**64.66**

Note 5: Capital work-in-progress (CWIP)

	31 March 2023	31 March 2022
Opening balance	-	1.89
Additions	-	-
Transfer / capitalised / disposed	-	(1.89)
Total	**-**	**-**

INDIA GRID TRUST
Notes to Standalone Financial Statements for the year ended 31 March 2023
(All amounts in Rs. million unless otherwise stated)

Note 6: Investments in subsidiaries

	31 March 2023	31 March 2022
Equity investments, at cost (unquoted)		
Indigrid Limited ("IGL")		
[17.67 million (31 March 2022: 17.67 million) equity shares of Rs 10 each fully paid-up] (refer note 7)	6,049.09	1,929.22
Less: Provision for impairment (Refer Note 26)	(5,494.55)	(1,929.22)
	554.54	-
Indigrid 1 Limited ("IGL1")	14,377.09	14,041.18
[94.42 million equity shares (31 March 2022: 93.35 million) of Rs. 10 each fully paid up]		
Indigrid 2 Limited ("IGL2")	536.84	536.84
[26.05 million equity shares (31 March 2022: 26.05 million) of Rs. 10 each fully paid up]		
Patran Transmission Company Limited ("PTCL")	735.53	735.53
[50 million (31 March 2022: 50 million) equity shares of Rs 10 each fully paid-up]		
East-North Interconnection Company Limited ("ENICL")	1,290.26	1,290.26
[1.05 million equity shares (31 March 2022: 1.05 million) of Rs. 10 each fully paid up]		
Gurgaon-Palwal Transmission Limited ("GPTL")	909.63	905.79
[0.34 million equity shares (31 March 2022: 0.34 million) of Rs. 10 each fully paid up]		
Jhajjar KT Transco Private Limited ("JKTPL")		
[22.66 million equity shares (31 March 2022: 22.66 million) of Rs. 10 each fully paid up]	1,397.97	1,418.21
Parbati Koldam Transmission Company Limited ("PrKTCL")	3,205.52	3,205.52
[201.90 million equity shares (31 March 2022: 201.90 million) of Rs. 10 each fully paid up]		
NER II Transmission Limited ("NER")	19,536.70	19,280.83
[1.14 million equity shares (31 March 2022: 1.14 million) of Rs. 10 each fully paid up]		
IndiGrid Solar-I (AP) Private Limited ("ISPL-I")		
[12.00 million equity shares (31 March 2022: 12.00 million) of Rs. 10 each fully paid up]	63.54	78.73
IndiGrid Solar-II (AP) Private Limited ("ISPL-II")	70.42	85.17
[12.00 million equity shares (31 March 2022: 12.00 million) of Rs. 10 each fully paid up]		
Raichur Sholapur Transmission Company Private Limited ("RSTCPL")	103.53	-
[80.00 million equity shares (31 March 2022: Nil) of Rs. 10 each fully paid up]		
Khargone Transmission Limited ("KgTL")	135.13	-
[0.77 million equity shares (31 March 2022: Nil) of Rs. 10 each fully paid up]		
Preference shares, at cost (unquoted)		
Indigrid Limited ("IGL") (formerly known as "Sterlite Grid 1 Limited")		
[27.06 million (31 March 2022: 27.06 million) 0.01% Optionally convertible redeemable non cumulative preference shares ("OCRPS") of Rs. 10 each fully paid-up] *	1,001.96	1,001.96
Less: Provision for impairment (Refer Note 26)	-	(1,001.96)
	1,001.96	**-**

* The OCRPS are either convertible into equity shares of IGL in the ratio of 1:1 or redeemable solely at the option of IGL within a period of 7 years from the date of issue.

	31 March 2023	31 March 2022
Compulsorily-convertible debentures (unquoted) (at amortised cost)		
IndiGrid Solar-I (AP) Private Limited ("ISPL-I")		
[81.63 million compulsorily convertible debentures (31 March 2022: 81.63 million) of Rs. 10 each]	472.74	550.81
IndiGrid Solar-II (AP) Private Limited ("ISPL-II")	530.00	606.04
[81.00 million compulsorily convertible debentures (31 March 2022: 81.00 million) of Rs. 10 each]		
Total non-current investments	**44,921.40**	**42,734.91**

(All amounts in Rs. million unless otherwise stated)

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Ownership interest %	
		31 March 2023	31 March 2022
Directly held by the Trust:			
Indigrid Limited ("IGL")	India	100%	100%
Indigrid 1 Limited ("IGL1") ^^	India	100%	100%
Indigrid 2 Limited ("IGL2") ^^	India	100%	100%
Patran Transmission Company Limited ("PTCL")	India	100%	100%
East-North Interconnection Company Limited	India	100%	100%
Gurgaon-Palwal Transmission Limited ("GPTL")[1]	India	49%	49%
Jhajjar KT Transco Private Limited ("JKTPL")	India	100%	100%
Parbati Koldam Transmission Company Limited ('PrKTCL')[2]	India	74%	74%
NER II Transmission Limited ("NER")[3]	India	49%	49%
IndiGrid Solar-I (AP) Private Limited ("ISPL-I")[4]	India	100%	100%
IndiGrid Solar-II (AP) Private Limited ("ISPL-II")[4]	India	100%	100%
Raichur Sholapur Transmission Company Private Limited ("RSTCPL")	India	100%	0%
Khargone Transmission Limited ('KgTL')[6]	India	49%	0%
Indirectly held by the Trust (through subsidiaries):			
Bhopal Dhule Transmission Company Limited ("BDTCL")	India	100%	100%
Jabalpur Transmission Company Limited ("JTCL")	India	100%	100%
Purulia & Kharagpur Transmission Company Limited ("PKTCL")	India	100%	100%
RAPP Transmission Company Limited ("RTCL")	India	100%	100%
Maheshwaram Transmission Limited ("MTL")	India	100%	100%
NRSS XXIX Transmission Limited ("NTL")	India	100%	100%
Odisha Generation Phase-II Transmission Limited ("OGPTL")	India	100%	100%
Kallam Transmission Limited ("KTL")[5]	India	100%	100%

1. The Trust acquired 49% of paid up equity capital of Gurgaon Palwal Transmission Limited ('GPTL') with effect from 28 August 2020 from Sterlite Power Transmission Limited (referred as "the seller") pursuant to Share purchase Agreement dated August 28, 2020 (“SPA”). The Trust had finalised purchase consideration for acquisition of entire stake in GPTL and had entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in GPTL from the seller. The Trust had beneficial interest based on the rights available to it under the SPA.

2. The Trust acquired 74% of paid up equity capital of Parbati Koldam Transmission Company Limited ('PrKTCL') with effect from January 08, 2021 from Reliance Infrastructure Limited (referred as "the Selling Shareholder") pursuant to Share purchase Agreement dated November 28, 2020 (“SPA”). The balance 26% share in PrKTCL is held by PowerGrid Corporation of India Limited (“PGCIL”).

3. The Trust acquired 49% of paid up equity capital of NER II Transmission Limited ("NER") with effect from March 25, 2021 from Sterlite Power Transmission Limited (SPTL)) and Sterlite Grid 4 Limited (‘SGL4’), (together referred as "the Selling Shareholders") pursuant to Share purchase Agreement dated March 05, 2021, as amended on March 25, 2021 (“SPA”). The Trust had finalised purchase consideration for acquisition of entire stake in NER and had entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in NER from the Selling Shareholders. The Trust had beneficial interest based on rights available to it under SPA

4. The Trust acquired 100% of paid up equity capital of IndiGrid Solar-I (AP) Private Limited (('ISPL1') and IndiGrid Solar-II (AP) Private Limited ('ISPL2') with effect from July 13, 2021 from FRV Solar Holdings XI B.V. and Fotowatio Renewable Ventures S.L (together referred as ""the Selling Shareholders"") pursuant to Share Purchase Agreement dated December 18,2020 (“SPA”).

5. The letter of intent for development of Kallam Transmission Limited (KTL) is awarded to consortium of IGL1 and IGL2 (“IndiGrid Consortium”) by the REC Power Development and Consultancy Limited (formerly known as REC Power Distribution Company Limited) on Novmeber 30, 2021 for a 35-year period from the scheduled commercial operation date, on a Build, Own, Operate and Maintain model. IndiGrid Consortium acquired the project on December 28, 2021 pursuant to Share Purchase Agreement (“SPA”). The project is currently under development with scheduled commissioning on September 2023."

6. The Trust acquired 49% of paid up equity capital of Khargone Transmission Limited ('KgTL') with effect from 02 March 2023 from Sterlite Power Transmission Limited (referred as "the seller") pursuant to Share Purchade Agreement dated January 21, 2023 (“SPA”). The Trust has finalised purchase consideration for acquisition of entire stake in KgTL and has entered into a binding agreement with the seller to acquire remaining 51% paid up equity capital in KgTL from the seller. The Trust has beneficial interest based on the rights available to it under the SPA.

INDIA GRID TRUST
Notes to Standalone Financial Statements for the year ended 31 March 2023
(All amounts in Rs. million unless otherwise stated)

Note 7: Investments

	31 March 2023	31 March 2022
Non-Current		
Non-convertible debentures (unquoted) (at amortised cost)		
Indigrid Limited ("IGL")	3,071.84	6,915.54
(665.82 million (31 March 2022: 665.82 million) 0.01% Non-convertible debentures of Rs 10 each)#		
Less: Provision for impairment (Refer Note 26)	-	(684.17)
	3,071.84	**6,231.37**
Total	**3,071.84**	**6,231.37**
Current		
Unquoted mutual funds (valued at fair value through profit or loss)		
Aggregate book and market value of unquoted investments		
Aditya Birla Sun Life Overnight Fund -Growth-Direct Plan - 4,088.88 units	4.96	-
HDFC Overnight Fund -Growth- Direct plan - 4,222.41 units	14.05	-
ICICI Prudential Liquid Fund - Direct Plan-Growth Option - 57,964.45 units	19.31	-
ICICI Prudential Overnight Fund -Growth- Direct plan - 1,220.51 units	1.47	-
Kotak Overnight Fund -Growth- Direct plan - 3,097.41 units	3.70	-
Nippon India Overnight Fund - Direct Growth Plan - 2,17,963.91 units	26.25	-
Total	**69.74**	**-**

Non Convertible debenture (NCD) of Face value of Rs. 10 each were issued by Indigrid Limited and were redeemable on or after July, 2024. During the current year, the due date of redemption of NCD was revised to July, 2033. Since the interest rate for the NCD is below market rate, Rs. 4,119.87 million has been re-classified as equity contribution in subsidiary disclosed under investment in subsidiary.

Note 8: Loans (unsecured, considered good)

	31 March 2023	31 March 2022
Non-current		
Loan to subsidiaries (refer note 28) *	1,56,914.84	1,32,476.19
Total	**1,56,914.84**	**1,32,476.19**

Details of loan to subsidiaries	**Rate of Interest**	**Secured/ unsecured**	**31 March 2023**	**31 March 2022**
Bhopal Dhule Transmission Company Limited	15.00%	Unsecured	17,149.32	8,825.32
Jabalpur Transmission Company Limited	15.00%	Unsecured	19,167.86	19,167.86
Maheshwaram Transmission Limited	15.00%	Unsecured	3,943.81	3,943.81
RAPP Transmission Company Limited	15.00%	Unsecured	2,020.54	2,053.52
Purulia & Kharagpur Transmission Company Limited	15.00%	Unsecured	3,523.45	3,612.50
Patran Transmission Company Limited	15.00%	Unsecured	1,566.10	1,571.86
NRSS XXIX Transmission Limited	15.75%	Unsecured	23,743.64	24,288.06
Odisha Generation Phase-II Transmission Limited	15.00%	Unsecured	10,951.24	10,951.24
East North Interconnection Company Limited	15.00%	Unsecured	8,269.83	8,410.97
Gurgaon-Palwal Transmission Limited	15.00%	Unsecured	9,783.28	9,783.28
Jhajjar KT Transco Private Limited	15.00%	Unsecured	1,462.52	1,549.81
Parbati Koldam Transmission Company Limited	9.20%	Unsecured	2,901.65	3,481.42
NER II Transmission Limited	15.00%	Unsecured	28,105.73	28,105.71
IndiGrid Solar-I (AP) Private Limited	15.00%	Unsecured	2,628.22	2,841.34
IndiGrid Solar-II (AP) Private Limited	15.00%	Unsecured	2,738.95	2,776.51
Indigrid Limited	15.00%	Unsecured	827.72	583.23
Indigrid 1 Limited	15.75%	Unsecured	0.02	93.03
Indigrid 2 Limited	15.00%	Unsecured	256.06	253.12
Kallam Transmission Limited	15.50%	Unsecured	903.60	183.60
Raichur Sholapur Transmission Company Private Limited	14.00%	Unsecured	2,083.36	-
Khargone Transmission Limited	14.00%	Unsecured	14,887.94	-
Total			**1,56,914.84**	**1,32,476.19**

* Loans are non-derivative financial assets which are repayable by subsidiaries upon expiry of period of their respective Transmission Services & Power Purchase Agreement. Further, the subsidiaries are entitled to prepay all or any portion of the outstanding principal with a prior notice.

INDIA GRID TRUST
Notes to Standalone Financial Statements for the year ended 31 March 2023
(All amounts in Rs. million unless otherwise stated)

Note 9: Other financial assets (unsecured, considered good) (carried at amortised cost)

	31 March 2023	31 March 2022
Non-Current		
Security deposits	38.90	38.90
Other bank balances (refer note 12)#	79.40	418.00
Total	**118.30**	**456.90**
Current		
Interest receivable from subsidiaries (refer note 28)	6,071.90	3,190.79
Advances receivable in cash or kind	4.45	2.19
Interest accrued on deposits	113.73	68.32
Others	0.10	0.05
Total	**6,190.18**	**3,261.35**

Includes amount of Rs 79.40 million (31 March 2022: NIL) is kept in Debt Service Reserve Account ('DSRA') / Interest Service Reserve Account ('ISRA') as per borrowing agreements with lenders.

Note 10: Other assets (unsecured, considered good)

	31 March 2023	31 March 2022
Non-Current		
Advance income tax, including TDS (net of provisions)	40.34	28.41
Others	1.57	3.42
Total	**41.91**	**31.83**
Current		
Others	4.90	-
Total	**4.90**	**-**

Note 11: Cash and cash equivalents (carried at amortized cost)

	31 March 2023	31 March 2022
Balance with banks		
- in current accounts ^	15.33	7,846.97
Deposit with original maturity of less than 3 months	1,934.00	-
Total	**1,949.33**	**7,846.97**

Balances with banks on current accounts does not earn interest. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash-requirement of the Trust and earn interest at the respective deposit rates.

^ Out of total amount, Rs. 13.04 million (31 March 2022: Rs. 11.38 million) pertains to unclaimed distribution to unitholders.

Note 12: Other bank balances

	31 March 2023	31 March 2022
Non-Current		
Bank deposits with original maturity of more than 12 months	79.40	418.00
Amount disclosed under head "other non current financial asset" (refer note 9)	(79.40)	(418.00)
Total	-	-
Current		
Deposit with original maturity for more than 3 months but less than 12 months #	1,927.94	1,092.08
Deposit with original maturity for more than 12 months#	1,182.82	1,230.50
Total	**3,110.76**	**2,322.58**

Includes amount of 2,993.76 million (31 March 2022: Rs. 2,322.58 million) kept in Debt Service Reserve Account ('DSRA') / Interest Service Reserve Account ('ISRA') as per borrowing agreements with lenders.

Note 13: Unit Capital

	31 March 2023	31 March 2022
a. Reconciliation of the units outstanding at the beginning and at the end of the reporting period	**Number of units (In million)**	**Amount (Rs. in million)**
As at 01 April 2021	583.49	53,145.69
Units issued during the year (refer note below)	116.69	12,836.49
Issue expenses (refer note below)	-	(79.03)
As at 31 March 2022	**700.18**	**65,903.15**
Issued during the year	-	-
As at 31 March 2023	**700.18**	**65,903.15**

Note:

i) The Trust offered an issue of up to 116,695,404 units of India Grid Trust ("Indigrid" and such units, the "units"), for cash at a price of Rs. 110.00 per unit (the "issue price"), aggregating to Rs. 12,836.49 million to the eligible unitholders (as defined in the Letter of Offer) on a rights basis in the ratio of one lot for every five lots (each lot comprising 1,701 units) held by them on the record date, being 30 March 2021 (the "Issue") in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 including the rules, circulars and guidelines issued thereunder, including the SEBI Rights Issue Guidelines (the "InvIT Regulations"). The issue opened on 06 April 2021 and closed on 13 April 2021, which was extended to 16 April 2021. The Allotment Committee of the Board of Directors of IndiGrid Investment Managers Limited ('Investment Manager'), considered and approved allotment of 116,695,404 rights units to the eligible unitholders of IndiGrid on 22 April 2021.

ii) Issue expenses of Rs. 79.03 million incurred in connection with issue of units had been reduced from the Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation.

b. Terms/rights attached to units

The Trust has only one class of units. Each unit represents an undivided beneficial interest in the Trust. Each holder of unit is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in every six months in each financial year in accordance with the InvIT Regulations. The Investment Manager approves distributions. The distribution will be in proportion to the number of units held by the unitholders. The Trust declares and pays distribution in Indian rupees.

A unitholder has no equitable or proprietary interest in the projects of IndiGrid and is not entitled to any share in the transfer of the projects (or any part thereof) or any interest in the projects (or any part thereof) of IndiGrid. A unitholder's right is limited to the right to require due administration of IndiGrid in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

c. Unitholders holding more than 5 percent Units in the Trust	**31 March 2023**		**31 March 2022**	
	(Nos. in million)	**% holding**	**(Nos. in million)**	**% holding**
Esoteric II Pte. Limited	165.90	23.69%	165.90	23.69%
Government of Singapore	140.18	20.02%	140.18	20.02%
Larsen And Toubro Limited	39.02	5.57%	38.07	5.44%

d. The Trust has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of incorporation till the balance sheet date. Further the Trust has not issued any units for consideration other than cash from the date of incorporation till the balance sheet date.

Note 14: Other Equity

	31 March 2023	31 March 2022
Retained earnings/ (Accumulated deficit)		
Balance as per last financial statements	2,293.62	1,951.03
Add: Profit for the year	10,166.04	9,208.60
Less: Distribution paid to unitholders	(9,163.59)	(8,866.01)
Closing balance	**3,296.07**	**2,293.62**

Retained earnings are the profits earned by the Trust till date, less distribution paid to unitholder

(All amounts in Rs. million unless otherwise stated)

Note 15: Long term borrowings (carried at amortised cost)

	31 March 2023	31 March 2022
Debentures		
6.65% - 8.20% Public NCD (secured) (refer note A below)	9,886.75	9,872.40
7.11% Non-convertible debentures (secured) (refer note A below)	4,350.00	4,350.00
8.60% Non-convertible debentures (secured) (refer note A below)	2,500.00	2,500.00
7.85% Non-convertible debentures (secured) (refer note A and (i) below)	4,961.90	-
7.917% Non-convertible debentures (secured) (refer note A and (i) below)	4,970.49	-
7.53% Non-convertible debentures (secured) (refer note A and (i) below)	2,494.26	-
9.10% Non-convertible debentures (secured) (refer note A below)	2,996.63	2,976.28
8.40% Non-convertible debentures (secured) (refer note A below)	-	3,497.63
6.72% Non-convertible debentures (secured) (refer note A below)	8,477.66	8,470.48
6.52% Non-convertible debentures (secured) (refer note A below)	3,991.70	1,488.66
7.00% Non-convertible debentures (secured) (refer note A below)	2,496.24	2,493.70
7.25% Non-convertible debentures (secured) (refer note A below)	1,496.17	1,494.65
7.40% Non-convertible debentures (secured) (refer note A below)	995.09	993.54
7.32% Non-convertible debentures (secured) (refer note A below)	3,990.50	3,991.06
8.50% Non-convertible debentures (secured) (refer note A below)	-	3,982.53
	53,607.39	**46,110.93**
Term loans		
Indian rupee loan from banks (secured) (refer note B and (ii) below)	82,067.19	61,375.49
	82,067.19	**61,375.49**
Total non-current borrowings	**1,35,674.58**	**1,07,486.42**
Current maturities		
8.85% Non-convertible debentures (secured) (refer note A below)	-	1,989.20
9.10% Non-convertible debentures (secured) (refer note A below)	-	13,993.83
8.40% Non-convertible debentures (secured) (refer note A and (i) below)	3,499.92	-
8.50% Non-convertible debentures (secured) (refer note A and (i) below)	3,991.21	-
Indian rupee loan from banks (secured) (refer note D and (ii) below)	1,765.60	1,232.50
Total current borrowings	**9,256.73**	**17,215.53**
The above amount includes :		
Secured borrowings	1,44,931.31	1,24,701.95
Unsecured borrowings	-	-
Total short term borrowings	**1,44,931.31**	**1,24,701.95**

(i) The above items represent new secured non-convertible debentures that have been issued by the Trust during the year ended 31 March 2023.
(ii) During the year ended 31 March 2023 the Trust has taken new Indian rupee loan from banks of Rs. 22,700 million (31 March 2022: Rs. 27,600 million).

(A) Non-convertible debentures referred above are secured to the extent of:
(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust/Hold cos to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust;
(iii) Pledge of 99% over the equity share capital of all SPVs except pledged of 73% over the equity share capital of PrKTCL.
(iv) Exclusive charge on the ISRA/DSRA accounts created for respective facility.

(All amounts in Rs. million unless otherwise stated)

The below table shows the maturity profile of outstanding NCD of the Trust the principal of which is repayable in full at the time of maturity :

Rate of Interest	Repayment Commencement Date	2023-2024	2024-2025	2025-2026	2026-2027	2027-28	2028-2029 & onward
3,000 9.10% Non-convertible debentures of Rs. 10,00,000 each	29 July 2024	-	3,000.00	-	-		-
50,000 7.85% Non-convertible debentures of Rs. 100,000 each	28 February 2028	-	-	-	-	5,000.00	
4,000 8.50% Non-convertible debentures of Rs. 10,00,000 each	01 March 2024	4,000.00	-	-	-		-
2,500 7.00% Non-convertible debentures of Rs. 10,00,000 each	28 June 2024	-	2,500.00	-	-		-
2,500 7.53% Non-convertible debentures of Rs. 10,00,000 each	05 August 2025	-	-	2,500.00	-		-
1,500 7.25% Non-convertible debentures of Rs. 10,00,000 each	27 June 2025	-	-	1,500.00	-		-
1,000 7.40% Non-convertible debentures of Rs. 10,00,000 each	26 December 2025	-	-	1,000.00	-		-
2,500 8.60% Non-convertible debentures of Rs. 10,00,000 each	31 August 2028	-	-	-	-		2,500.00
50,000 7.917% Non-convertible debentures of Rs. 100,000 each	28 February 2031	-	-	-	-		5,000.00
2,500 8.40% Non-convertible debentures of Rs. 10,00,000 each	14 June 2023	2,500.00	-	-	-		-
1,000 8.40% Non-convertible debentures of Rs. 10,00,000 each	16 June 2023	1,000.00	-	-	-		-
4,000 7.32% Non-convertible debentures of Rs. 10,00,000 each	27 June 2031	-	-	-	-		4,000.00
8,500 6.72% Non-convertible debentures of Rs. 10,00,000 each	14 September 2026	-	-	-	8,500.00		-
4,000 6.52% Non-convertible debentures of Rs. 10,00,000 each	07 April 2025	-	-	4,000.00	-		-
4,350 7.11% Non-convertible debentures of Rs. 10,00,000 each	14 February 2029	-	-	-	-		4,350.00

Public NCD

Rate of Interest	Repayment Commencement Date	2024-2025	2026-2027	2028-2029	2031-2032
6.65% Category I & II	06 May 2024	0.01	-	-	-
6.75% Category III & IV	06 May 2024	101.82	-	-	-
7.45% Category I & II	06 May 2026	-	859.85	-	-
7.6% Category III & IV	06 May 2026	-	964.74	-	-
7.7% Category I & II	06 May 2028	-	-	1,004.25	-
7.9% Category III & IV	06 May 2028	-	-	409.09	-
7.49% Category I & II	06 May 2028	-	-	4.72	-
7.69% Category III & IV	06 May 2028	-	-	120.34	-
7.95% Category I & II	06 May 2031	-	-	-	126.46
8.2% Category III & IV	06 May 2031	-	-	-	5,991.84
7.72% Category I & II	06 May 2031	-	-	-	4.72
7.97% Category III & IV	06 May 2031	-	-	-	412.18

(B) Term loan from bank

The Indian rupee term loan from bank carries interest at the rate of 7.00% to 8.40% payable monthly. Loan amount installments shall be repayable as per the payment schedule over 5 and 15 years from the date of disbursement. The term loan is secured by

(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust/Hold cos to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust;
(iii) Pledge of 99% over the equity share capital of all SPVs except pledged of 73% over the equity share capital of PrKTCL.
(iv) Exclusive charge on the ISRA/DSRA accounts created for respective facility.

Financial covenants

Loans from bank, debt securities contain certain debt covenants relating to limitation on interest service coverage ratio, debt service coverage ratio, Net Debt to AUM, Net Debt to EBITDA etc. The financial covenants are reviewed on availability of audited accounts of the respective borrower periodically. For the financial year ended 31 March 2023, the Trust has satisfied all debt covenants prescribed in the terms of loan from bank and financial institutions, where applicable.

Note 16: Trade payables (carried at amortised cost)

	31 March 2023	31 March 2022
Trade payables		
- total outstanding dues of micro and small enterprises	1.58	-
- total outstanding dues of creditors other than micro and small enterprises		
- to related parties (refer note 28)	1.92	0.07
- to others	71.91	55.80
Total	**75.41**	**55.87**

Ageing schedule as at 31 March 2023	Outstanding for following periods from the due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	-	0.02	1.56	-	-	-	1.58
Total outstanding dues of creditors other than micro and small enterprises	46.06	25.35	1.74	0.47	0.21	-	73.83
Disputed dues of micro and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total	**46.06**	**25.37**	**3.30**	**0.47**	**0.21**	**-**	**75.41**

Ageing schedule as at 31 March 2022	Outstanding for following periods from the due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	34.08	-	21.49	0.30	-	-	55.87
Disputed dues of micro and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total	**34.08**	**-**	**21.49**	**0.30**	**-**	**-**	**55.87**

Trade payables are non-interest bearing and are normally settled on 30-90 days terms.
For explanation on the Company's risk management policies, refer note 33.

(All amounts in Rs. million unless otherwise stated)

Note 17: Other financial liabilities (carried at amortised cost)

	31 March 2023	31 March 2022
Current		
Interest accrued but not due on borrowings	984.33	981.19
Distribution payable	13.04	11.38
Payable towards project acquired#		
- To related party (refer note 28)	1,213.10	1,108.97
- To others	27.79	374.92
Others	-	6.91
	2,238.26	**2,483.37**
Total	**2,238.26**	**2,483.37**

Liability is towards acquisition of equity shares of NRSS XXIX Transmission Limited, Odisha Generation Phase-II Transmission Limited, East-North Interconnection Company Limited, Gurgaon-Palwal Transmission Limited, Parbati Koldam Transmission Company Limited, NER II Transmission Limited, Raichur Sholapur Transmission Company Private Limited and Khargone Transmission Limited pursuant to respective share purchase agreements.

For explanation on the Company's risk management policies, refer note 33.

Note 18: Other current liabilities

	31 March 2023	31 March 2022
Withholding taxes (TDS) payable	14.15	0.78
GST payable	-	0.02
Total	**14.15**	**0.80**

Note 19: Tax Expense

The major components of income tax expense for the years ended 31 March 2023 and 31 March 2022 are:	31 March 2023	31 March 2022
- Current tax	31.88	23.62
- Income tax for earlier years	0.08	-
Income tax expenses reported in the statement of profit and loss	**31.96**	**23.62**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022:	31 March 2023	31 March 2022
Accounting profit before income tax	10,198.00	9,232.22
At India's statutory income tax rate of 42.74% (31 March 2022: 42.74%)	4,358.63	3,945.85
Impact of exemption u/s 10(23FC) of the Income Tax Act, 1961 available to the Trust	(4,326.67)	(3,922.23)
Income tax for earlier years	0.08	-
At the effective income tax rate	31.88	23.62
Income tax expense reported in the statement of profit and loss	**31.96**	**23.62**

Note 20: Revenue from operations

	31 March 2023	31 March 2022
Interest income on loans given to subsidiaries (refer note 28)	21,531.50	19,558.18
Finance income on non-convertible debentures issued by subsidiary on EIR basis	276.17	467.21
Total	**21,807.67**	**20,025.39**

Note 21: Other income

	31 March 2023	31 March 2022
Processing fees on loan given to subsidiary (refer note 28)	-	18.85
Miscellaneous income	-	0.18
Total	**-**	**19.03**

Note 22: Other expenses

	31 March 2023	31 March 2022
Investment management fees (refer note 28)	8.50	6.53
Rates and taxes	16.23	7.91
Insurance expenses	0.11	0.98
Miscellaneous expenses	8.53	6.37
Total	**33.37**	**21.79**

Note 23: Finance Cost

	31 March 2023	31 March 2022
Interest on financial liabilities measured at amortised cost	10,009.53	9,429.84
Other bank and finance charges	0.02	2.99
Total	**10,009.55**	**9,432.83**

Note 24: Depreciation and amortization expense

	31 March 2023	31 March 2022
Depreciation of tangible assets	0.43	0.37
Amortisation of intangible assets	11.88	1.38
Total	**12.31**	**1.75**

Note 25: Earnings per unit (EPU)

Basic EPU amounts are calculated by dividing the profit for the year attributable to unit holders by the weighted average number of units outstanding during the year.

Diluted EPU amounts are calculated by dividing the profit for the year attributable to unit holders by the weighted average number of units outstanding during the year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

The following reflects in the profit and unit data used in the basic and diluted EPU computation	**31 March 2023**	**31 March 2022**
Profit after tax for calculating basic and diluted EPU (Rs. in million)	10,166.04	9,208.60
Weighted average number of units in calculating basic and diluted EPU (No. in million)	700.18	693.14
Earnings Per Unit:		
Basic and Diluted (Rupees/unit)	14.52	13.29

Note 26: Significant accounting judgements, estimates and assumptions

The preparation of the Trust's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Trust's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

(a) Classification of Unitholders' funds

Under the provisions of the InvIT Regulations, IndiGrid is required to distribute to unitholders not less than ninety percent of the net distributable cash flows of IndiGrid for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its unitholders cash distributions. The unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016) issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20 October 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unit holders is recognised as liability when the same is approved by the Investment Manager.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities or fair value disclosures within the next financial year, are described below. The Trust based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Trust. Such changes are reflected in the assumptions when they occur.

(a) Fair valuation and disclosures

SEBI Circulars issued under the InvIT Regulations require disclosures relating to net assets at fair value and total returns at fair value.

In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuers to perform the valuation. The management works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the valuation report and findings to the Board of the Investment Manager quarterly to explain the cause of fluctuations in the fair value of the transmission / solar projects. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc. Changes in assumptions about these factors could affect the fair value.

(b) Impairment of non-current assets

Non-current assets of the Trust primarily comprise of investments in subsidiaries.

The provision for impairment/(reversal) of impairment of investments in subsidiaries is made based on the difference between the carrying amounts and the recoverable amounts. The recoverable amount of the investments in subsidiaries has been computed by external independent valuation experts based on value in use calculation for the underlying projects (based on discounted cash flow model). On a periodic basis, according to the recoverable amounts of individual portfolio assets computed by the valuation experts, the Trust tests impairment on the amounts invested in the respective subsidiary companies.

The key assumptions used to determine the recoverable amount for the underlying projects are disclosed and further explained in Note 27A.

Note 27A: Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(Rs. in million)

Particulars	Carrying value		Fair value	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Financial assets at Amortized cost				
Cash & cash equivalent	1,949.33	7,846.97	1,949.33	7,846.97
Other bank balance	3,190.16	2,740.58	3,190.16	2,740.58
Investment	3,071.84	6,231.37	3,071.84	6,231.37
Loan	1,56,914.84	1,32,476.19	1,56,914.84	1,32,476.19
Other financial assets	6,229.08	3,300.25	6,229.08	3,300.25
Financial assets at Fair Value				
Investments in mutual funds	69.74	-	69.74	-
Total	**1,71,424.99**	**1,52,595.36**	**1,71,424.99**	**1,52,595.36**
Financial liabilities at amortized cost				
Borrowings	1,44,931.31	1,24,701.95	1,44,931.31	1,24,701.95
Trade payables	75.41	55.87	75.41	55.87
Other financial liabilities	2,238.26	2,483.37	2,238.26	2,483.37
Total	**1,47,244.98**	**1,27,241.19**	**1,47,244.98**	**1,27,241.19**

The management has assessed that the financial assets and financial liabilities as at year end are reasonable approximations of their fair values.

The Trust is required to present the statement of total assets at fair value and statement of total returns at fair value as per SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 as a part of these financial statements- Refer Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.

The inputs to the valuation models for computation of fair value of assets for the above mentioned statements are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc.

The significant unobservable inputs used in the fair value measurement required for disclosures categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2023 and 31 March 2022 are as shown below:

Description of significant unobservable inputs to valuation:

(Rs in million)

Significant unobservable inputs	Input for 31 March 2023	Input for 31 March 2022	Sensitivity of input to the fair value	Increase /(decrease) in fair value 31 March 2023	31 March 2022
WACC	7.70% to 8.53%	7.55% to 9.12%	+ 0.5%	(10,744.00)	(10,168.42)
			- 0.5%	10,446.00	11,434.87
Tax rate (normal tax and MAT)	Normal Tax - 25.168%	Normal Tax - 25.168%	+ 2%	(580.08)	(520.00)
			- 2%	531.80	471.00
Inflation rate	Revenue(Esclable): 5.00%	Revenue(Esclable): 5.00%	+ 1%	(3,127.86)	(3,173.14)
	Expenses: 2.14% to 4.75%	Expenses: 2.46% to 4.84%	- 1%	2,574.20	2,604.90

Note 27B: Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Trust's assets and liabilities:

(Rs. in million)

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2023 and 31 March 2022:	Date of valuation	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets for which fair values are disclosed:				
Investment in subsidiaries (including loan to subsidiaries)	31 March 2023	-	-	2,26,879.67
	31 March 2022	-	-	2,06,398.37
Investments in mutual funds	31 March 2023	-	69.74	-
	31 March 2022	-	-	-

There have been no transfers among Level 1, Level 2 and Level 3.

Note 28: Related party disclosures

I. List of related parties as per the requirements of Ind AS 24 - Related Party Disclosures

(a) Name of related party and nature of its relationship:

Subsidiaries

Indigrid Limited (IGL)
Indigrid 1 Limited (IGL1)
Indigrid 2 Limited (IGL2)
Bhopal Dhule Transmission Company Limited (BDTCL)
Jabalpur Transmission Company Limited (JTCL)
Maheshwaram Transmission Limited (MTL)
RAPP Transmission Company Limited (RTCL)
Purulia & Kharagpur Transmission Company Limited (PKTCL)
Patran Transmission Company Limited (PTCL)
NRSS XXIX Transmission Limited (NTL)
Odisha Generation Phase II Transmission Limited (OGPTL)
East-North Interconnection Company Limited (ENICL)
Gurgaon-Palwal Transmission Limited (GPTL)
Jhajjar KT Transco Private Limited (JKTPL)
Parbati Koldam Transmission Company Limited (PrKTCL)
NER II Transmission Limited (NER)
IndiGrid Solar-I (AP) Private Limited (ISPL1) (from 13 July 2021)
IndiGrid Solar-II (AP) Private Limited (ISPL2) (from 13 July 2021)
Kallam Transmission Limited (KTL) (from 28 December 2021)
Raichur Sholapur Transmission Company Private Limited (RSTCPL) (from 9 November 2022)
Khargone Transmission Limited (KgTL) (from 2 March 2023)

(b) Other related parties under Ind AS-24 with whom transactions have taken place during the year

Entities with significant influence over the Trust

Esoteric II Pte. Ltd - Sponsor (EPL)
Sterlite Power Transmission Limited (SPTL) - Sponsor of IndiGrid
Indigrid Investment Managers Limited (IIML) - Investment manager of IndiGrid

II. List of related parties as per Regulation 2(1)(zv) of the InvIT Regulations

(a) Parties to IndiGrid

Esoteric II Pte. Ltd (EPL) - Inducted Sponsor
Sterlite Power Transmission Limited (SPTL) - Sponsor of IndiGrid
Indigrid Limited (IGL) - Project Manager of IndiGrid (for all SPV's)
Indigrid Investment Managers Limited (IIML) - Investment manager of IndiGrid
Axis Trustee Services Limited (ATSL) - Trustee of IndiGrid (Axis Bank Ltd is Promoter)*

(b) Promoters of the parties to IndiGrid specified in (a) above

KKR Ingrid Co-Invest L.P.- Cayman Island - Promoter of EPL
Twin Star Overseas Limited - Promoter of SPTL
Electron IM Pte. Ltd. - Promoter of IIML

(c) Directors of the parties to IndiGrid specified in (a) above

Directors of IIML:

Harsh Shah (CEO & Whole-time director) (till 30 June 2022 and re-joined from 30 August 2022)
Jyoti Kumar Agarwal (till 30 September 2022)
Tarun Kataria
Rahul Asthana (till 25 December 2022)
Ashok Sethi
Hardik Shah (from 30 November 2021)
Jayashree Vaidhyanthan (from 30 November 2021)
Ami Momaya (from 27 January 2022)
Pratik Agarwal (till 14 January 2022)
Sanjay Omprakash Nayar (till 27 January 2022)

Directors of SPTL:

Pravin Agarwal
Pratik Agarwal
A. R. Narayanaswamy
Zhao Haixia (till 31 March 2022)
Anoop Seth
Manish Agarwal (from 17 December 2021)
Arun Lalchand Todarwal (till 24 July 2021)
Kamaljeet Kaur (from 29 June 2022)

Key Managerial Personnel of IIML:

Harsh Shah (CEO & Whole-time director) (till 30 June 2022 and re-joined from 30 August 2022)
Navin Sharma (CFO) (from 19 April 2023)
Urmil Shah (Company Secretary) (from 1 August 2022)
Jyoti Kumar Agarwal (CFO) (till 30 June 2022) and (CEO & Whole-time director) (from 01 July 2022 till 30 September 2022)
Divya Bedi Verma (CFO) (from 1 July 2022 till 15 February 2023)
Swapnil Patil (Company Secretary) (till 31 July 2022)

Directors of ATSL:

Rajesh Kumar Dahiya
Ganesh Sankaran
Deepa Rath (from 01 May 2021)
Sanjay Sinha (till 30 April 2021)

Directors of Esoteric II Pte. Ltd.:

Tang Jin Rong
Madhura Narawane (from 26 January 2022)
Velasco Azonos Cecilio Francisco (till 26 January 2022)

Relative of directors mentioned above:

Sonakshi Agarwal
Jyoti Agarwal
Sujata Asthana (till 25 December 2022)
Mala Todarwal (till 24 July 2021)

INDIA GRID TRUST
Notes to Standalone Financial Statements for the year ended 31 March 2023
(All amounts in Rs. million unless otherwise stated)

(B) The transactions with related parties during the year are as follows:-

(Rs. in millions)

Particulars	Relation	31 March 2023	31 March 2022
1. Unsecured loans given to subsidiaries			
Bhopal Dhule Transmission Company Limited (BDTCL)	Subsidiary	8,324.00	1,185.00
Jabalpur Transmission Company Limited (JTCL)	Subsidiary	1,500.00	363.91
Maheshwaram Transmission Limited (MTL)	Subsidiary	-	61.40
RAPP Transmission Company Limited (RTCL)	Subsidiary	38.78	73.33
Purulia & Kharagpur Transmission Company Limited (PKTCL)	Subsidiary	-	88.45
Patran Transmission Company Limited (PTCL)	Subsidiary	-	67.80
NRSS XXIX Transmission Limited (NRSS)	Subsidiary	381.45	487.41
Odisha Generation Phase II Transmission Limited (OGPTL)	Subsidiary	-	5,409.80
East-North Interconnection Company Limited (ENICL)	Subsidiary	-	283.21
Gurgaon-Palwal Transmission Limited (GPTL)	Subsidiary	-	7,662.38
Jhajjar KT Transco Private Limited (JKTPL)	Subsidiary	8.30	143.01
Parbati Koldam Transmission Company Limited (PrKTCL)	Subsidiary	-	3,792.24
NER II Transmission Limited (NER)	Subsidiary	-	905.36
IndiGrid Solar-I (AP) Private Limited (IGS1)	Subsidiary	23.00	2,911.34
IndiGrid Solar-II (AP) Private Limited (IGS2)	Subsidiary	29.05	2,856.51
Kallam Transmission Limited (KTL)	Subsidiary	720.00	183.60
Indigrid Limited (IGL)	Subsidiary	260.67	242.13
Indigrid 1 Limited (IGL1)	Subsidiary	188.36	93.03
Indigrid 2 Limited (IGL2)	Subsidiary	2.94	17.36
Raichur Sholapur Transmission Company Private Limited (RSTCPL)	Subsidiary	2,098.47	-
Khargone Transmission Limited (KgTL)	Subsidiary	14,638.81	-
2. Repayment of loan from subsidiaries			
Bhopal Dhule Transmission Company Limited (BDTCL)	Subsidiary	-	690.40
Jabalpur Transmission Company Limited (JTCL)	Subsidiary	1,500.00	-
Maheshwaram Transmission Limited (MTL)	Subsidiary	-	18.32
RAPP Transmission Company Limited (RTCL)	Subsidiary	71.77	168.94
Purulia & Kharagpur Transmission Company Limited (PKTCL)	Subsidiary	89.04	242.82
Patran Transmission Company Limited (PTCL)	Subsidiary	5.76	226.23
NRSS XXIX Transmission Limited (NRSS)	Subsidiary	925.87	1,754.36
Odisha Generation Phase II Transmission Limited (OGPTL)	Subsidiary	-	187.93
East-North Interconnection Company Limited (ENICL)	Subsidiary	141.14	914.19
Gurgaon-Palwal Transmission Limited (GPTL)	Subsidiary	-	630.32
Jhajjar KT Transco Private Limited (JKTPL)	Subsidiary	95.58	286.86
Parbati Koldam Transmission Company Limited (PrKTCL)	Subsidiary	579.75	310.82
NER II Transmission Limited (NER)	Subsidiary	-	105.20
IndiGrid Solar-I (AP) Private Limited (IGS1)	Subsidiary	236.12	70.00
IndiGrid Solar-II (AP) Private Limited (IGS2)	Subsidiary	66.62	80.00
Kallam Transmission Limited (KTL)	Subsidiary	-	-
Indigrid Limited (IGL)	Subsidiary	16.18	-
Indigrid 1 Limited (IGL1)	Subsidiary	281.36	-
Indigrid 2 Limited (IGL2)	Subsidiary	-	-
Raichur Sholapur Transmission Company Private Limited (RSTCPL)	Subsidiary	15.10	-
Khargone Transmission Limited (KgTL)	Subsidiary	4.15	-
3. Purchase of loan of Khargone Transmission Limited			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	253.28	-
4. Interest income from subsidiaries			
Bhopal Dhule Transmission Company Limited (BDTCL)	Subsidiary	2,410.28	1,239.73
Jabalpur Transmission Company Limited (JTCL)	Subsidiary	2,879.29	2,856.80
Maheshwaram Transmission Limited (MTL)	Subsidiary	591.57	589.97
RAPP Transmission Company Limited (RTCL)	Subsidiary	305.14	318.60
Purulia & Kharagpur Transmission Company Limited (PKTCL)	Subsidiary	539.67	557.65
Patran Transmission Company Limited (PTCL)	Subsidiary	235.77	249.67
NRSS XXIX Transmission Limited (NRSS)	Subsidiary	3,818.79	3,920.38
Odisha Generation Phase II Transmission Limited (OGPTL)	Subsidiary	1,642.69	1,559.59
East-North Interconnection Company Limited (ENICL)	Subsidiary	1,261.47	1,304.78
Gurgaon-Palwal Transmission Limited (GPTL)	Subsidiary	1,467.49	1,437.73
Jhajjar KT Transco Private Limited (JKTPL)	Subsidiary	225.62	246.67
Parbati Koldam Transmission Company Limited (PrKTCL)	Subsidiary	282.34	143.34
NER II Transmission Limited (NER)	Subsidiary	4,215.86	4,180.04
IndiGrid Solar-I (AP) Private Limited (IGS1)	Subsidiary	533.42	395.64
IndiGrid Solar-II (AP) Private Limited (IGS2)	Subsidiary	539.89	388.28
Kallam Transmission Limited (KTL)	Subsidiary	55.84	3.33
Indigrid Limited (IGL)	Subsidiary	114.54	70.03
Indigrid 1 Limited (IGL1)	Subsidiary	35.51	4.75
Indigrid 2 Limited (IGL2)	Subsidiary	93.12	91.22
Raichur Sholapur Transmission Company Private Limited (RSTCPL)	Subsidiary	114.46	-
Khargone Transmission Limited (KgTL)	Subsidiary	168.74	-
5. Dividend income from subsidiaries			
Parbati Koldam Transmission Company Limited (PrKTCL)	Subsidiary	201.90	282.66
Jhajjar Transco Private Limited (JKTPL)	Subsidiary	20.00	-
6. Loan arrangement fees received from subsidiaries			
Parbati Koldam Transmission Company Limited (PrKTCL)	Subsidiary	-	18.85
7. Deposits Given			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	-	36.00
8. Adjustment in consideration for equity shares of Indigrid 1 Limited on account of events mentioned in SPA			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	77.31	(0.58)
9. Consideration for equity shares of Indigrid 2 Limited on account of events mentioned in SPA			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	-	18.53
10. Adjustment in consideration for equity shares of ENICL on account of events mentioned in SPA			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	-	(4.46)

Particulars	Relation	31 March 2023	31 March 2022
11. Adjustment in consideration for equity shares of GPTL on account of events mentioned in SPA			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	3.84	(0.57)
12. Purchase of equity shares of NER			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	-	5,179.33
13. Adjustment in consideration for equity shares of NER on account of events mentioned in SPA			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	255.87	10.58
14. Purchase of equity shares of KgTL			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	135.13	-
15. Investment in right issue of subsidiary			
Indigrid 1 Limited (IGL1)	Subsidiary	258.59	-
16. Rights Issue of unit capital			
Esoteric II Pte. Ltd		-	3,285.28
	Sponsor/Entity with significant influence over the Trust		
Sterlite Power Transmission Limited	Sponsor of IndiGrid	-	44.72
17. Trustee fee			
Axis Trustee Services Limited (ATSL)	Trustee	2.63	3.32
18. Investment Management Fees			
Indigrid Investment Managers Limited	Investment manager of IndiGrid	8.50	6.53
19. Distribution to unit holders			
Sterlite Power Transmission Limited	Sponsor of IndiGrid	-	14.09
Indigrid Investment Managers Limited	Investment manager of IndiGrid	7.25	6.55
Esoteric II Pte. Ltd	Sponsor/Entity with significant influence over the Trust	2,171.24	2,100.73
Pravin Agarwal	Director of Sponsor (SPTL) and Investment Manager	-	1.05
Harsh Shah	Whole time director of Investment Manager	0.38	0.18
Swapnil Patil	Company Secretary of Investment Manager	0.02	0.06
Sonakshi Agarwal	Relative of director	0.24	0.24
Jyoti Agarwal	Relative of director	0.08	0.30
Sujata Asthana	Relative of director	1.60	1.55
Arun Todarwal	Director of Sponsor (SPTL)	0.03	0.05
A. R. Narayanaswamy	Director of Sponsor (SPTL)	0.25	0.25
Mala Todarwal	Relative of director	0.02	0.05
20. Deposit made to IT department on behalf of PKTCL & NRSS			
Sterlite Power Transmission Limited	Sponsor and Project Manager/ Entity with significant influence	19.19	-

(C) The outstanding balances of related parties are as follows:- **(Rs in Million)**

Particulars	31 March 2023	31 March 2022
Unsecured loan receivable from subsidiaries	1,56,914.84	1,32,476.19
Interest receivable from subsidiaries	6,071.90	3,190.79
Non-Convertible Debentures of subsidiary (including accrued interest on EIR)	3,071.84	6,915.54
Compulsorily-convertible debentures of subsidiary	1,002.74	1,156.85
Investment in equity shares of subsidiary (excluding provision for impairment)	48,411.25	43,507.28
Optionally convertible redeemable preference shares (excluding provision for impairment)	1,001.96	1,001.96
Payable towards project acquired	1,213.10	1,108.97
Deposits given	36.00	36.00
Trade payable	1.92	0.07

*The Trust has entered into banking transactions in the nature of loans taken, fixed deposits made and interest thereof in the normal course of business with Axis Bank Limited in professional capacity.

Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.4(b)(iv) of Section A of Annexure A to SEBI Circular dated 20 October 2016 are as follows:

For the year ended 31 March 2023:
(A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):

(Rs in million)

Particulars	KgTL
Enterprise value	14,975
Method of valuation	Discounted Cash Flow
Discounting rate (WACC):	8.30%

(B) Material conditions or obligations in relation to the transactions:

Acquisition of Khargone Transmission Ltd (KgTL):

The Trust acquired 49% of paid up equity capital of Khargone Transmission Limited ("KgTL") with effect from 02 March 2023 from Sterlite Power Transmission Limited (SPTL)) (referred as "the seller") pursuant to Share Purchase Agreement dated 21 January 2023 ("SPA"). The Trust has finalised purchase consideration for acquisition of entire stake in KgTL and has entered into a binding agreement with the Seller to acquire remaining 51% paid up equity capital in KgTL from the Seller. The Trust has beneficial interest based on the rights available to it under the SPA.
Based on the contractual terms of the agreement, the Trust has following rights:

- Right to nominate all directors on the board of directors of the KgTL;
- Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of KgTL;
- Non-disposal undertaking from the selling shareholders for the remaining 51% equity stake in KgTL;

Considering the requirements under Ind AS 110, the Group has assessed whether it controls KgTL on the basis the above rights under the agreement and the fact that the Group has acquired 49% and have paid for the balance 51% consideration (subject to certain agreed hold back amount). Based on the assessment, management has concluded that the Group controls KgTL in spite of the fact that it has acquired only 49% of the paid up capital of KgTL.

For the year ended 31 March 2022:

- No acquisition from related party for the year ended 31 March 2022.

(All amounts in Rs. million unless otherwise stated)

Note 29: Capital and other Commitments

The Trust and G R Infraprojects Limited ('GRIL') have entered into a framework agreement to acquire 100% stake in Rajgarh Transmission Limited.

Note 30: Contingent liability

The Trust has no contingent liability to be reported.

Note 31: Segment reporting

The Trust's activities comprise of owning and investing in transmission and solar SPVs to generate cash flows for distribution to unitholders. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of Ind AS -108 have not separately been given.

Note 32: Details of Dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Particulars	31 March 2023	31 March 2022
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.		
Principal amount due to micro and small enterprises	1.58	-
Interest due on above	-	-
(ii) The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

Interest payable as per section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 is Nil (31 March 2020: Nil). Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimations received from the "suppliers" / information available with the Company regarding their status under the Micro, Small and Medium Enterprises Act, 2006.

Note 33: Financial risk management objectives and policies

The Trust's principal financial liabilities comprise of borrowings and other financial liabilities. The main purpose of these financial liabilities is to finance the Trust's operations. The Trust's principal financial assets include investments, loans, cash and bank balances and other financial assets that derive directly from its operations.

The Trust may be exposed to market risk, credit risk and liquidity risk. The Investment Manager oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Trust's policy that no trading in derivatives for speculative purposes may be undertaken. The management reviews and agrees policies for managing each of these risks, which are summarised below.

The Risk Management policies of the Trust are established to identify and analyse the risks faced by the Trust, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Trust's activities.

Management has overall responsibility for the establishment and oversight of the Trust's risk management framework.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings and investments.

Price Risk

The Company invests its surplus funds in mutual funds which are linked to debt markets. The Company is exposed to price risk for investments in mutual funds that are classified as fair value through profit or loss. To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio. Diversification and investment in the portfolio is done in accordance with the limits approved by the Board of Directors. Reports on investment portfolio are submitted to the Company's senior management on a regular basis

Particulars	% change in market value	31 March 2023	31 March 2022
		Effect on loss before tax	Effect on loss before tax
Mutual funds	0.50%	0.35	-

Profit for the year would increase / decrease as a result of gains / losses on mutual funds classified as at fair value through profit or loss.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Trust's borrowings are at fixed rate, hence the Trust is not exposed to Interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Trust did not have any exposure in foreign currency as at 31 March 2023 and 31 March 2022.

Equity price risk

The Trust's investments in equity shares of subsidiaries are susceptible to market price risk arising from uncertainties about future values of those investments. Reports on the equity portfolio are submitted to the senior management on a regular basis. The Board of Directors of the Investment Manager reviews and approves all equity investment decisions.

At the reporting date, the exposure to equity investments in subsidiary at carrying value was Rs. 42,916.7 million (31 March 2022: Rs. 41,578.06 million). Sensitivity analyses of significant unobservable inputs used in the fair value measurement are disclosed in Note 27A.

(B) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Trust is exposed to credit risk from its investing activities including loans to subsidiaries, deposits with banks and other financial instruments. As at 31 March 2023 and 31 March 2022, the credit risk is considered low since substantial transactions of the Trust are with its subsidiaries.

(All amounts in Rs. million unless otherwise stated)

(C) Liquidity risk
Liquidity risk is the risk that the Trust may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Trust's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Trust requires funds both for short term operational needs as well as for long term investment programs mainly in transmission projects. The Trust closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents and liquid investments will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The other financial liabilities are with short term durations. The table below summarises the maturity profile of the Trust's financial liabilities based on contractual undiscounted payments:

Particulars	Payable on demand	Less than 3 months	3 months to 12 months	1 to 5 years	More than 5 years	Total
31 March 2023						
Borrowings	-	-	9,256.73	1,11,751.00	23,923.58	1,44,931.31
Trade payables	-	75.41	-	-	-	75.41
Other financial liabilities	-	997.37	1,240.89	-	-	2,238.26
Total	**-**	**1,072.78**	**10,497.62**	**1,11,751.00**	**23,923.58**	**1,47,244.98**

Particulars	Payable on demand	Less than 3 months	3 months to 12 months	1 to 5 years	More than 5 years	Total
31 March 2022						
Borrowings	-	14,292.58	2,925.95	39,209.31	68,274.11	1,24,701.95
Trade payables	-	55.87	-	-	-	55.87
Other financial liabilities	-	999.48	1,483.89	-	-	2,483.37
Total	**-**	**15,347.93**	**4,409.84**	**39,209.31**	**68,274.11**	**1,27,241.19**

Note 34: Capital management
For the purpose of the Trust's capital management, capital includes issued unit capital and all other reserves attributable to the unit holders of the Trust. The primary objective of the Trust's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unit holder value.

The Trust manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Trust may adjust the distribution to unitholders (subject to the provisions of InvIT regulations which require distribution of at least 90% of the net distributable cash flows of the Trust to unit holders), return capital to unitholders or issue new units. The Trust monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Trust's policy is to keep the gearing ratio optimum. The Trust includes within net debt, interest bearing loans and borrowings and other payables less cash and cash equivalents, other bank balances and short term investments.

Particulars	31 March 2023	31 March 2022
Borrowings	1,44,931.31	1,24,701.95
Less: Cash and cash equivalents	(1,949.33)	(7,846.97)
Net debt (A)	**1,42,981.98**	**1,16,854.98**
Unit capital	65,903.15	65,903.15
Other equity	3,296.07	2,293.62
Total capital (B)	**69,199.22**	**68,196.77**
Capital and net debt ((C) = (A) + (B))	**2,12,181.20**	**1,85,051.75**
Gearing ratio (A)/(C)	**67%**	**63%**

Financial Covenants
In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

Note 35: Subsequent event

On 12 May 2023, the Board of directors of the Investment Manager approved a distribution of Rs. 3.45 per unit for the period 01 January 2023 to 31 March 2023 to be paid on or before 15 days from the date of declaration.

Note 36: Other Information

(i) The Trust does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Trust does not have any transactions with Companies struck off
(iii) The Trust have not traded or invested in cryptocurrency or Virtual Currency during the financial year
(iv) The Trust does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
(v) The Trust has not been declared as a wilful defaulter by any bank or financial institution or other lender.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 12 May 2023

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 12 May 2023

Urmil Shah
Company Secretary
Membership Number : A23423
Place : Mumbai
Date : 12 May 2023

Navin Sharma
Chief Financial Officer

Place : Mumbai
Date : 12 May 2023

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of India Grid Trust

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of India Grid Trust ("the InvIT"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Changes in Unit Holders' Equity and the Statement of Cash Flow for the year then ended, the Statement of Net Assets at fair value as at March 31, 2022, the Statement of Total Returns at fair value, the Statement of Net Distributable Cash Flows ('NDCFs') of the InvIT for the year then ended and a summary of significant accounting policies and other explanatory notes(hereafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended including any guidelines and circulars issued thereunder (the "InvIT Regulations") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent not inconsistent with InvIT regulations, of the state of affairs of the InvIT as at March 31, 2022, its profit including other comprehensive income, its cash movements and its movement of the unit holders' funds for the year ended March 31, 2022, its net assets at fair value as at March 31, 2022, its total returns at fair value and the net distributable cash flows of the InvIT for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the InvIT in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the InvIT Regulations and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Impairment of investments in subsidiaries and loans given to subsidiaries</u>
(as described in notes X,X,X and XX of the standalone financial statements)</td></tr>
<tr><td>The InvIT has significant investments in subsidiaries and has granted loans to its subsidiaries both aggregating to Rs.XXXX million as at March 31, 2022. The value of investments and loans in aggregate comprise XX% of total assets in the Balance Sheet.

The subsidiaries are in the business of owning and maintaining transmission assets/ generation of solar power and have entered into Transmission Services Agreement ("TSA") with Long Term Transmission Customers ("LTTC") and Power Purchase Agreement (“PPA”) with Solar Energy Corporation of India (“SECI”).

At each reporting period end, management assesses the existence of impairment indicators of investments in subsidiaries and loans given to subsidiaries. In case of existence of impairment indicators, the investment and loan balances are subjected to impairment test, where the fair value of the subsidiary is compared with the value of investments and loans given to such subsidiaries.

The processes and methodologies for assessing and determining the fair value of the subsidiary is based on complex assumptions, that by their nature imply the use of the management’s judgment, in particular with reference to identification of forecast of future cash flows relating to the period covered by the respective subsidiary’s transmission license/ solar power purchase agreement, debt equity ratio, cost of debt, cost of equity, residual value, etc.

Considering the judgment involved in determination of fair values due to inherent uncertainty and complexity of the assumptions used in determination of fair values, this is considered as a key audit matter.</td><td>Our audit procedures included, among others, the following:

• We obtained an understanding of the InvIT’s process on assessment of impairment of investments in subsidiaries and loans to subsidiaries and the assumptions used by the management, including design and implementation of controls, validation of management review controls. We have tested the operating effectiveness of these controls.

• We obtained and read the valuation report of the InvIT’s independent valuation expert, and assessed the expert’s competence, capability and objectivity.

• We evaluated the independent valuation expert’s methodology, assumptions and estimates used in the calculations.

• We tested on sample basis that the tariff revenues considered in the respective valuation models are in agreement with TSAs / PPAs/ tariff orders.

• We tested completeness, arithmetical accuracy and validity of the data used in the calculations.

• In performing the above procedures, we involved valuation specialists to perform an independent review of methodology and key assumptions used in the valuation.

• We read and assessed the disclosures included in the notes to the standalone financial statements.</td></tr>
</table>

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Classification of unit holders’ funds as equity</u>
(as described in Note XX of the standalone financial statements)</td></tr>
<tr><td>The InvIT is required to distribute to Unitholders not less than ninety percent of its net distributable cash flows for each financial year. Accordingly, a portion of the unitholders’ funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders’ funds could therefore have been classified as compound financial instrument which contains both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars No. CIR/IMD/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated November 29, 2016 ("SEBI Circulars") issued under the InvIT Regulations, the unitholders’ funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated October 20, 2016 dealing with the minimum disclosures for key financial statements.

Considering the judgment required for classification of unit holders’ funds as equity and liability, this is considered as a key audit matter.</td><td>Our audit procedures included, among others:

• We obtained and read the requirements for classification of financial liability and equity under Ind AS 32 and evaluated the provisions of SEBI Circulars for classification/presentation of unit holders funds in the financial statements of an Infrastructure Investment Trust.

• We read and assessed the disclosures included in the standalone financial statements for compliance with the relevant requirements of InvIT regulations.</td></tr>
<tr><td colspan="2"><u>Disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value as per InvIT regulations</u>
(as described in Note XX of the standalone financial statements)</td></tr>
<tr><td>The InvIT is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value pursuant to SEBI circulars issued under the InvIT regulations which requires fair valuation of the assets. Such fair valuation has been carried out by the independent valuer appointed by the InvIT.

For the purpose of the above, fair value is determined by forecasting and discounting future cash flows.

The processes and methodologies for assessing and determining the fair value</td><td>Our audit procedures included, among others, the following:

• We read the requirements of InvIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.

• We discussed with the management and obtained an understating of the InvIT’s policy on the assessment of fair value and the assumptions used by the management, including design and implementation of controls, validation of management review controls. We have tested the operating effectiveness of these controls.</td></tr>
</table>

Key audit matters	How our audit addressed the key audit matter
is based on complex assumptions, that by their nature imply the use of the management's judgment, in particular with reference to identification of forecast of future cash flows relating to the period covered by the respective subsidiary's transmission license/ solar power purchase agreement, debt equity ratio, cost of debt, cost of equity, residual value, etc. Considering the judgment involved in determination of fair values due to inherent uncertainty and complexity of the assumptions used in determination of fair values, this is considered as a key audit matter.	• We obtained understating of the InvIT's process for preparation statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value as per InvIT regulations and the assumption used by the management, including design and implementation of controls, validation of management review controls. We have tested the operating effectiveness of these controls. • We obtained and read the valuation report of the InvIT's independent valuation expert, and assessed the expert's competence, capability and objectivity. • We evaluated independent valuation expert's methodology, assumptions and estimates used in the calculations. • We tested on sample basis that the tariff revenues considered in the respective valuation models are in agreement with TSAs / PPAs/ tariff orders. • We tested completeness, arithmetical accuracy and validity of the data used in the calculations. • In performing the above procedures, we used valuation specialists to perform an independent review of methodology and key assumptions used in the valuation. • We read and assessed the disclosures included in the notes to the standalone financial statements.

Other Information

The Management of Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited) (the "Investment Manager") is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Standalone Financial Statements

The Management of the Investment Manager ('the Management') is responsible for the preparation of these standalone financial statements that give a true and fair view of the financial position as at March 31, 2022, financial performance including other comprehensive income, cash flows and and the movement of the unit holders' funds for the year ended March 31, 2022, the net assets at fair value as at March 31, 2022, the total returns at fair value of the InvIT and the net distributable cash flows of the InvIT for the year ending March 31, 2022 in accordance with the requirements of the InvIT regulations , Indian Accounting Standards (Ind AS) as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with InvIT regulations. This responsibility also includes the design, implementation and maintenance of adequate controls for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the ability of InvIT to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the InvIT or to cease operations, or has no realistic alternative but to do so.

The Management is also responsible for overseeing the InvIT's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the InvIT's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the InvIT's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the InvIT to cease to continue

as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) The Balance Sheet and the Statement of Profit and Loss are in agreement with the books of account;

(c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, to the extent not inconsistent with InvIT Regulations.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Huzefa Ginwala
Partner
Membership Number: 111757
UDIN: 22111757AJIQJK3567
Place of Signature:
Date: 20 May 2022

INDIA GRID TRUST
BALANCE SHEET AS AT 31 MARCH 2022
(All amounts in Rs. million unless otherwise stated)

-

	Notes	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	0.92	-
Intangible assets	3.2	75.74	-
Capital work-in-progress	4	-	1.89
Financial Assets			
i. Investment in subsidiaries	5	42,734.91	37,193.07
ii. Investments	6	6,231.37	-
iii. Loans	7	1,32,476.19	1,11,361.96
iv. Other financial assets	8	456.90	-
Other non-current tax assets	9	31.83	19.71
		1,82,007.86	**1,48,576.63**
Current assets			
Financial assets			
i. Investments	6	-	6,448.33
i. Inventories		-	-
ii. Trade receivables	10	-	-
ii. Cash and cash equivalents	10	7,846.97	6,905.20
iii. Bank Balances other than (ii) above	11	2,322.58	841.05
iv. Other financial assets	8	3,261.35	550.79
		13,430.90	**14,745.37**
Total assets		**1,95,438.76**	**1,63,322.00**
EQUITY AND LIABILITIES			
Equity			
Unit capital	12	65,903.15	53,145.69
Other equity	13		
Retained earnings/ (Accumulated deficit)		2,293.62	1,951.03
Total unit holders' equity		**68,196.77**	**55,096.72**
Non-current liabilities			
Financial liabilities			
i. Borrowings	14	1,07,486.42	1,04,017.27
		1,07,486.42	**1,04,017.27**
Current liabilities			
Financial liabilities			
i. Borrowings	14	17,215.53	1,492.38
ii. Trade payables	15		
a. Total outstanding dues of micro enterprises and small enterprises		-	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		55.87	-
iii. Other financial liabilities	16	2,483.37	2,705.67
Other current liabilities	17	0.80	9.96
		19,755.57	**4,208.01**
Total liabilities		**1,27,241.99**	**1,08,225.28**
Total equity and liabilities		**1,95,438.76**	**1,63,322.00**
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)
(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 20 May 2022

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 20 May 2022

Swapnil Patil
Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 20 May 2022

Jyoti Kumar Agarwal
Chief Financial Officer

Place : Mumbai
Date : 20 May 2022

INDIA GRID TRUST
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022
(All amounts in Rs. million unless otherwise stated)

	Notes	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
INCOME			
Revenue from operations	19	20,025.39	12,488.31
Dividend income from subsidiaries		282.66	-
Income from investment in mutual funds		55.26	-
Interest income on investment in fixed deposits		106.52	78.30
Other income	20	19.03	-
Total income (I)		**20,488.86**	**12,566.61**
EXPENSES			
Legal and professional fees		71.69	95.34
Annual listing fee		9.83	6.18
Rating fee		28.36	46.52
Valuation expenses		8.25	3.05
Trustee fee		3.32	3.01
Audit Fees			
- Statutory audit fees		5.43	4.01
- Other services (including certification)		0.64	7.32
Other expenses	21	21.79	827.94
Depreciation expense	22	1.75	-
Finance costs	23	9,432.83	4,346.97
Impairment /(reversal of impairment) of investment in subsidiaries		1,672.75	(3,497.47)
Total expenses (II)		**11,256.64**	**1,842.87**
Profit before tax (I-II)		**9,232.22**	**10,723.74**
Current tax	18	23.62	-
Income tax for earlier years		-	(1.18)
Tax expense		**23.62**	**(1.18)**
Profit for the year		**9,208.60**	**10,724.92**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income for the year		**-**	**-**
Total comprehensive income for the year		**9,208.60**	**10,724.92**
Earnings per unit			
Basic and diluted (in Rs.)	24	13.29	18.38
(Computed on the basis of profit for the year)			
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)
(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 20 May 2022

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 20 May 2022

Swapnil Patil
Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 20 May 2022

Jyoti Kumar Agarwal
Chief Financial Officer
Place : Mumbai
Date : 20 May 2022

INDIA GRID TRUST
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022
(All amounts in Rs. million unless otherwise stated)

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
A. Cash flow from operating activities		
Net profit as per statement of profit and loss	**9,208.60**	**10,724.92**
Adjustment for taxation	23.62	(1.18)
Profit before tax	**9,232.22**	**10,723.74**
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation expenses	1.75	-
Impairment/(Reversal) of investment in subsidiaries	1,672.75	(3,497.47)
Interest income on non convertible debentures	(467.21)	(624.43)
Finance cost	9,432.83	4,346.97
Interest income on loans given to subsidiaries	(19,558.18)	(11,863.88)
Dividend income from subsidiaries	(282.66)	-
Income from investment in mutual funds	(55.26)	-
Interest income on investment in fixed deposits	(106.52)	(78.30)
Operating loss before working capital changes	**(130.28)**	**(993.37)**
Movements in working capital :		
- trade payables	55.87	-
- other current financial liabilities	(381.64)	23.11
- other current liabilities	(9.16)	0.90
- other non-current financial asset	(38.90)	-
- other non-current asset	(3.42)	-
- other current financial asset	4.06	(6.09)
- other current assets	-	-
Changes in working capital	**(373.19)**	**17.92**
Cash used in operations	**(503.47)**	**(975.45)**
Direct taxes paid (net of refunds)	(32.32)	(22.63)
Net cash used in operating activities (A)	**(535.79)**	**(998.08)**
B. Cash flow from investing activities		
Purchase of property plant & equipment (including capital work-in-progress)	(76.52)	(1.89)
Purchase of equity shares/NCD/CCD of subsidiaries	(6,997.63)	(21,308.09)
Conversion of loan given to subsidiaries to equity	-	(1,121.15)
Loans given to subsidiaries	(26,827.23)	(67,000.14)
Loans repaid by subsidiaries	5,713.00	26,912.59
Interest income on loans given to subsidiaries	16,885.69	11,627.22
Dividend received from subsidiaries	282.66	-
Interest income on investment in fixed deposits	64.39	101.75
Income from investment in mutual funds	55.26	-
Investment in mutual funds	(44,432.58)	(37,646.87)
Proceeds from mutual funds	44,432.58	37,646.87
Investment in fixed deposits (net)	(1,899.53)	(42.15)
Net cash flow used in investing activities (B)	**(12,799.91)**	**(50,831.86)**
C. Cash flow from financing activities		
Proceeds from issue of unit capital	12,836.49	-
Unit issue expense incurred	(79.03)	-
Proceeds of borrowings	51,600.00	67,469.18
Repayment of borrowings	(31,440.18)	-
Payment of upfront fees of long term borrowings	(272.57)	(266.53)
Interest paid	(9,503.03)	(3,538.41)
Payment of distributions to unitholders	(8,864.21)	(7,057.93)
Net cash flow generated from financing activities (C)	**14,277.47**	**56,606.31**
Net increase in cash and cash equivalents (A + B + C)	**941.77**	**4,776.37**
Cash and cash equivalents as at beginning of year	6,905.20	2,128.83
Components of cash and cash equivalents as at year end	**7,846.97**	**6,905.20**

Components of cash and cash equivalents:	**31 March 2022 (Rs. in million)**	**31 March 2021 (Rs. in million)**
Balances with banks:		
- On current accounts ^	7,846.97	4,279.55
- Deposit with original maturity of less than 3 months #	-	2,625.65
Total cash and cash equivalents (refer note 10)	**7,846.97**	**6,905.20**

^ Out of total amount, Rs. 11.38 million (31 March 2021: Rs. 9.35 million) pertains to unclaimed distribution to unitholders.
# Includes amount of NIL (31 March 2021: Rs. 2,044.20 million) is kept in Debt Service Reserve Account ('DSRA') as per borrowing agreements with lenders.

Reconciliation between opening and closing balances for liabilities arising from financing activities (including current maturities) :-

Particulars	**Long term borrowings**
01 April 2020	**39,570.95**
Cash flow	
- Interest	(3,538.41)
- Proceeds/(repayments)	67,202.65
Accrual	3,098.11
31 March 2021	**1,06,333.30**
Cash flow	
- Interest	(9,503.03)
- Proceeds/(repayments)	19,887.25
Accrual	8,965.62
31 March 2022	**1,25,683.14**

Summary of significant accounting policies 2.2

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)
(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 20 May 2022

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 20 May 2022

Swapnil Patil
Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 20 May 2022

Jyoti Kumar Agarwal
Chief Financial Officer
Place : Mumbai
Date : 20 May 2022

INDIA GRID TRUST
STATEMENT OF CHANGES IN UNIT HOLDERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2022
(All amounts in Rs. million unless otherwise stated)

A. Unit capital	Nos. in million	Rs. in million
Balance as at 01 April 2020	**583.49**	**53,145.69**
Units issued during the year (refer note 12)	-	-
Issue expenses	-	-
Balance as at 31 March 2021	**583.49**	**53,145.69**
Units issued during the year (refer note 12)	116.70	12,836.49
Issue expenses (refer note 12)	-	(79.03)
Balance as at 31 March 2022	**700.18**	**65,903.15**

(Rs. in million)

B. Other equity	Retained earnings/ (Accumulated deficit)	Total other equity
As at 01 April 2020	**(1,713.72)**	**(1,713.72)**
Profit for the year	10,724.92	10,724.92
Other comprehensive income	-	-
Less: Distribution during the year (refer note below)	(7,060.17)	(7,060.17)
As at 31 March 2021	**1,951.03**	**1,951.03**
Profit for the year	9,208.60	9,208.60
Other comprehensive income	-	-
Less: Distribution during the year (refer note below)	(8,866.01)	(8,866.01)
As at 31 March 2022	**2,293.62**	**2,293.62**

Note:
The distribution relates to the distributions made during the financial year along with the distribution related to the last quarter of FY 2020-21 and does not include the distribution relating to the last quarter of FY 2021-22 which will be paid after 31 March 2022.

The distributions made by IndiGrid to its unitholders are based on the Net Distributable Cash Flows (NDCF) of IndiGrid under the InvIT Regulations and hence part of the same includes repayment of capital as well.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)
(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 20 May 2022

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 20 May 2022

Swapnil Patil
Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 20 May 2022

Jyoti Kumar Agarwal
Chief Financial Officer
Place : Mumbai
Date : 20 May 2022

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2022

Disclosures Pursuant To SEBI Circulars
(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the InvIT Regulations)

A. STATEMENT OF NET ASSETS AT FAIR VALUE AS AT

(Rs. in million)

Particulars	31 March 2022		31 March 2021	
	Book value	Fair value	Book value	Fair value
A. Assets	1,95,438.76	2,20,394.66	1,63,322.00	1,93,096.80
B. Liabilities (at book value)	1,27,241.99	1,27,242.00	1,08,225.28	1,08,225.28
C. Net Assets (A-B)	68,196.77	93,152.66	55,096.72	84,871.52
D. Number of units	700.18	700.18	583.49	583.49
E. NAV (C/D)	97.40	133.04	94.43	145.45

Total assets after provision for impairment on investment in subsidiaries determined based on fair valuation. For the purpose of NAV Computation we have considered 100% of the fair valued assets and liabilities of PrKTCL and the effect of non controlling interest of 26% of the fair valued assets and liabilities is not considered to arrive at the computed NAV.

Project wise breakup of fair value of assets as at **(Rs. in million)**

Project	31 March 2022	31 March 2021
Indigrid Limited	47,499.06	45,705.20
Indigrid 1 Limited	48,175.26	49,276.99
Indigrid 2 Limited	15,031.54	9,812.36
Patran Transmission Company Limited	2,723.03	2,622.19
East North Interconnection Company Limited	12,141.93	12,821.20
Gurgaon-Palwal Transmission Limited#	12,505.91	5,533.13
Jhajjar KT Transco Private Limited#	3,550.85	3,172.87
Parbati Koldam Transmission Company Limited#	9,792.84	6,239.31
NER II Transmission Limited#	53,811.13	53,081.39
IndiGrid Solar-I (AP) Private Limited(formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) ^	4,117.89	-
IndiGrid Solar-II (AP) Private Limited(formerly FRV India Solar Park-II Private Limited) ^	4,116.47	-
Subtotal	**2,13,465.93**	**1,88,264.63**
Assets (in IndiGrid)	6,928.73	4,832.17
Total assets	**2,20,394.66**	**1,93,096.80**

The Trust has acquired Gurgaon-Palwal Transmission Limited with effect from 28 August 2020, Jhajjar KT Transco Private Limited with effect from 28 September 2020, Parbati Koldam Transmission Company Limited with effect from 08 January 2021 and NER II Transmission Limited with effect from 25 March 2021.

^ The Trust has acquired IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) and IndiGrid Solar-II (AP) Private Limited (formerly known as FRV India Solar Park-II Private Limited) with effect from 13 July 2021.

B. STATEMENT OF TOTAL RETURNS AT FAIR VALUE

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Total comprehensive income (as per the statement of profit and loss)	9,208.60	10,724.92
Add/ (Less): other changes in fair value not recognized in total comprehensive income	3,669.87	21,286.03
Total Return	**12,878.47**	**32,010.95**

Notes:
1. Fair value of assets as at 31 March 2022 and as at 31 March 2021 and other changes in fair value for the year then ended as disclosed in the above tables are based on fair valuation report issued by the independent valuer appointed under the InvIT regulations.

2. Sensitivity analysis with respect to significant unobservable inputs used in the fair value measurement has been disclosed in Note 26A.

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INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2022

Disclosures Pursuant To SEBI Circulars
(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the InvIT Regulations)

ADDITIONAL DISCLOSURES AS REQUIRED BY PARAGRAPH 6 OF ANNEXURE A TO THE SEBI CIRCULAR NO. CIR/IMD/DF/127/2016

Statement of Net Distributable Cash Flows (NDCFs) of India Grid Trust

Description	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
Cash flows received from the Portfolio Assets in the form of interest	**16,885.69**	**11,370.40**
Cash flows received from the Portfolio Assets in the form of dividend	282.66	413.89
Any other income accruing at IndiGrid level and not captured above, including but not limited to interest/return on surplus cash invested by IndiGrid	161.96	78.30
Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by IndiGrid	4,132.52	26,912.59
Proceeds from the Portfolio Assets for a capital reduction by way of a buy back or any other means as permitted, subject to applicable law	-	-
Proceeds from sale of assets of the Portfolio Asset not distributed pursuant to an earlier plan to re-invest, or if such proceeds are not intended to be invested subsequently	-	-
Total cash inflow at the IndiGrid level (A)	**21,462.83**	**38,775.18**
Less: Any payment of fees, interest and expense incurred at IndiGrid level, including but not limited to the fees of the Investment Manager and Trustee (refer note i and ii)	(9,371.42)	(5,206.08)
Less: Costs/retention associated with sale of assets of the Portfolio Assets:	-	-
-related debts settled or due to be settled from sale proceeds of Portfolio Assets;	-	-
-transaction costs paid on sale of the assets of the Portfolio Assets; and	-	-
-capital gains taxes on sale of assets/ shares in Portfolio Assets/ other investments.	-	-
Less: Proceeds reinvested or planned to be reinvested in accordance with Regulation 18(7)(a) of the InvIT Regulations	-	-
Less: Repayment of external debt at the IndiGrid level and at the level of any of the underlying portfolio assets/special purpose vehicles (excluding refinancing)	-	-
Less: Income tax (if applicable) at the standalone IndiGrid level	(23.62)	1.18
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	(2,609.64)	(25,487.90)
Less: Repair work in relation to the projects undertaken by any of the Portfolio Assets	(35.00)	-
Total cash outflows / retention at IndiGrid level (B)	**(12,039.68)**	**(30,692.80)**
Net Distributable Cash Flows (C) = (A+B)	**9,423.15**	**8,082.38**

Notes :

i. Does not include interest accrued but not due for quarter and year ended 31 March 2022 of Nil (quarter ended 31 December 2021 of Nil, quarter ended 31 March 2021 of Rs. 86.51 million and year ended 31 March 2021: Rs. 348.47 million) related to market linked non convertible debentures ('MLDs') which was payable on maturity of these MLDs from FY 2022 to FY 2024. In the current year, the Trust has repaid the MLDs and corresponding interest accrued to the extent of Rs. 659.32 million and has been included in the NDCF computation.

ii. Does not include Earn - out expenses for quarter and year ended 31 March 2022 of Nil (quarter ended 31 December 2021 of Nil, quarter ended 31 March 2021 of Nil and year ended 31 March 2021 of Rs. 117.27 million).

1. Trust information

India Grid Trust ("the Trust" or "IndiGrid") is an irrevocable trust settled by Sterlite Power Grid Ventures Limited (now merged with Sterlite Power Transmission Limited) (the "Sponsor") on October 21, 2016 pursuant to the Trust Deed under the provisions of the Indian Trusts Act, 1882 and registered with Securities Exchange Board of India ("SEBI") under the SEBI (Infrastructure Investment Trust) Regulations, 2014 as an Infrastructure Investment Trust on November 28, 2016 having registration number IN/InvIT/16-17/0005. The Trustee of IndiGrid is Axis Trustee Services Limited (the "Trustee"). The Investment manager for IndiGrid is Indigrid Investment Managers Limited (previously known as Sterlite Investment Managers Limited) (the "Investment Manager" or the "Management").

With effect from 20th September 2020, Esoteric II Pte. Limited has also been nominated as sponsor of the Trust.

The objectives of IndiGrid are to undertake activities as an infrastructure investment trust in accordance with the provisions of the InvIT Regulations and the Trust Deed. The principal activity of IndiGrid is to own and invest in power transmission assets in India with the objective of producing stable and sustainable distributions to unitholders.

As at March 31, 2022, IndiGrid has following project entities ("Special Purpose Vehicles" or "SPVs") which are transmission infrastructure projects and Solar Projects developed on Build, Own, Operate and Maintain ('BOOM') basis:

1. Bhopal Dhule Transmission Company Limited ('BDTCL')
2. Jabalpur Transmission Company Limited ('JTCL')
3. RAPP Transmission Company Limited ('RTCL')
4. Purulia & Kharagpur Transmission Company Limited ('PKTCL')
5. Maheshwaram Transmission Limited ('MTL')
6. Patran Transmission Company Limited ('PTCL')
7. NRSS XXIX Transmission Limited ('NTL')
8. Odisha Generation Phase-II Transmission Limited ('OGPTL')
9. East-North Interconnection Company Limited ('ENICL')
10. Gurgaon-Palwal Transmission Limited ('GPTL')
11. Parbati Koldam Transmission Company Limited ('PrKTCL')
12. NER II Transmission Limited ('NER')
13. Kallam Transmission Limited ('KTL')

As at March 31, 2022, IndiGrid has following project entities which are transmission infrastructure projects developed on Build, Operate and Transfer ('BOT') basis:

1. Jhajjar KT Transco Private Limited ('JKTPL')

These SPVs have executed Transmission Services Agreements ("TSAs") with Long term transmission customers under which the SPVs have to maintain the transmission infrastructure for 25 or 35 years post commissioning.

As at March 31, 2022, following project entities which are engaged in generation of electricity through Solar projects developed Build, Own, Operate and Maintain ('BOOM') basis:

1. IndiGrid Solar – I (AP) Private Limited ('IndiGrid Solar – I')
2. IndiGrid Solar – I (AP) Private Limited ('IndiGrid Solar – II')

These SPVs have executed Power Purchase Agreements ("PPAs") with Solar Energy Corporation Limited ('SECI') for sale of electricity for 25 years post commissioning.

The address of the registered office of the Investment Manager is Unit No 101,First Floor, Windsor Village, KoleKalyan Off CST Road, Vidyanagari Marg, Santacruz(East) Mumbai, Maharashtra- 400098, India. The financial statements were authorised for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on 27 May 2022.

2. Significant Accounting Policies

2.1 Basis of preparation

These financial statements are the separate financial statements of the Trust and comprise of the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the

Statement of Cash Flow and the Statement of Changes in Unit Holders' Equity for the year then ended and the Statement of Net Assets at fair value as at March 31, 2022 and the Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCFs') for the year then ended and a summary of significant accounting policies and other explanatory notes in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") read with SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations").

The financial statements have been prepared on a historical cost basis, except for certain assets which have been measured at fair value.

The financial statements are presented in Indian Rupees Millions, except when otherwise indicated.

As at March 31,2022, current liabilities exceed the current assets of the Trust because of current maturity of the long-term borrowings. Trust is exploring the options to refinance the current maturity of the long-term borrowing when they become due for repayment. As per regulation 20 of INVIT regulations 2014, the Trust is eligible for a total debt (net of cash and cash equivalents) of 70% to AUM. As at March 31, 2022, the total debt (net of cash and cash equivalents) to AUM is within the prescribed limits.

2.2 Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Trust in preparing its financial statements:

a) Current versus non-current classification

The Trust presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Trust classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Trust is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Trust has identified twelve months as its operating cycle.

b) Foreign currencies

The Trust's financial statements are presented in INR, which is its functional currency. The Trust does not have any foreign operation.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Trust at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

c) Fair value measurement

The Trust measures financial instruments such as mutual funds at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Trust.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Trust uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Trust determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In estimating the fair value of investments in subsidiaries, the Trust engages independent qualified external valuers to perform the valuation. The management works closely with the external valuers to establish the appropriate valuation techniques and inputs to the model. The management in conjunction with the external valuers also compares the change in fair value with relevant external sources to determine whether the change is reasonable. The management reports the valuation report and findings to the Board of the Investment Manager half yearly to explain the cause of fluctuations in the fair value of the transmission projects.

At each reporting date, the management analyses the movement in the values of assets and liabilities which are required to be remeasured or reassessed as per the Trust's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Trust has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy (Note 19B)
- Disclosures for valuation methods, significant estimates and assumptions (Note 18 and 19A)
- Financial instruments (including those carried at amortised cost) (Note 4,5,6,7,8)

d) Revenue Recognition

The specific recognition criteria described below must be met before revenue is recognised.

Interest income
For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Trust estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends
Income from dividend on investments is accrued in the year in which it is declared, whereby the Trust's right to receive is established.

e) Taxation

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/value added/goods and service taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/value added/goods and service taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

f) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over their estimated useful life on a straight line basis. Software is amortised over the estimated useful life ranging from 5-10 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is different from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

g) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Trust incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

h) Leases

The Trust assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Trust as lessee

The Trust applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Trust recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Trust recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease Liabilities

At the commencement date of the lease, the Trust recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the payments of penalties for terminating the lease, if the lease term reflects the Trust exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Trust uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Trust applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

i) Impairment of non-financial assets

The Trust assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Trust estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Trust bases its impairment calculations on detailed budget and forecast calculations. These budgets are prepared for the entire project life.

Impairment losses of continuing operations are recognised in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Trust estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

j) Provisions

Provisions are recognised when the Trust has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Trust expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

k) Investments in subsidiaries

The Trust accounts for its investments in subsidiaries at cost less accumulated impairment losses (if any) in its separate financial statements. Investments accounted for at cost which are held for sale are accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Trust commits to purchase or sell the asset.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Trust's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Trust has applied the practical expedient, the Trust initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Trust has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (d) Revenue from contracts with customers.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

i. Debt instruments at amortised cost
ii. Debt instruments at fair value through other comprehensive income (FVTOCI)
iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost
A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most relevant to the Trust. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss. This category generally applies to interest receivable and loans given to subsidiaries (Refer Note 5 and 6)

Debt instrument at FVTOCI
A 'debt instrument' is classified as FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, interest income, impairment losses and reversals and foreign exchange gain or loss are recognised in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Trust does not have financial assets which are subsequently measured at FVTOCI.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Trust may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Trust has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Trust may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Trust makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Trust decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Trust may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Trust's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Trust has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Trust has transferred substantially all the risks and rewards of the asset, or (b) the Trust has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Trust has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Trust continues to recognise the transferred asset to the extent of the Trust's continuing involvement. In that case, the Trust also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Trust has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Trust could be required to repay.

Impairment of financial assets

Majority of the financial assets of the Trust which are not reflected at fair value pertain to loans to subsidiaries and other receivables. Considering the nature of business, the Trust does not foresee any credit risk on its loans and other receivables which may cause an impairment. Majority of the other receivable pertain to receivable from subsidiary companies only. Also, the Trust does not have any history of impairment of other receivables.

For the financial assets which are reflected at fair value, no further impairment allowance is necessary as they reflect the fair value of the relevant financial asset itself.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Trust's financial liabilities include borrowings and related costs, trade and other payables and derivative financial instrument.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Trust that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to P&L. However, the Trust may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to borrowings. For more information refer Note 11.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Embedded derivatives
An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative cause some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Trust does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Trust determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Trust's senior management determines change in the business model as a result of external or internal changes which are significant to the Trust's operations. Such changes are evident to external parties. A change in the business model occurs when the Trust either begins or ceases to perform an activity that is significant to its operations. If the Trust reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Trust does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	**Revised Classification**	**Accounting Treatment**
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit or loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit or loss at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

m) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Trust's cash management.

n) Cash distribution to unit holders

The Trust recognises a liability to make cash distributions to unit holders when the distribution is authorised, and a legal obligation has been created. As per the InvIT Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

o) Earnings per unit

Basic earnings per unit is calculated by dividing the net profit or loss attributable to unit holders of the Trust (after deducting preference dividends and attributable taxes if any) by the weighted average number of units outstanding during the period. The weighted average number of units outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, split, and reverse split (consolidation of units) that have changed the number of units outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per unit, the net profit or loss for the period attributable to unit holders of the Trust and the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

Changes in accounting policies and disclosures

(i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no impact on the financial statements of the Trust.

(ii) Amendments to Ind AS 103 Business Combinations

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards* issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS This amendment had no impact on the standalone financial statements of the Trust.

(iii) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the financial statements of the Trust.

(iv) Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the standalone financial statements of, nor is there expected to be any future impact to the Trust.

These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material are not expected to have a significant impact on the Trust's standalone financial statements.

(v) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest

- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued

- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Trust. Trust intends to use the practical expedients in future periods if they become applicable.

(vi) (Conceptual framework for financial reporting under Ind AS issued by ICAI

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the standalone financial statements of, nor is there expected to be any future impact to the Trust.

These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material are not expected to have a significant impact on the Trust's standalone financial statements.

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2022

Note 3.1 : Property, plant and equipment (PPE)

Particulars	Data processing equipments	Total
Gross block		
As at 01 April 2020	-	-
Additions	-	-
As at 31 March 2021	**-**	**-**
Additions	1.29	1.29
As at 31 March 2022	**1.29**	**1.29**
Depreciation		
As at 01 April 2020	-	-
Charge for the year	-	-
As at 31 March 2021	**-**	**-**
Charge for the year	0.37	0.37
As at 31 March 2022	**0.37**	**0.37**
Net Block		
As at 31 March 2022	**0.92**	**0.92**
As at 31 March 2021	**-**	**-**

Note 3.2: Intangible assets

Particulars	Computer software	Total
Cost		
As at 01 April 2020	-	-
Additions	-	-
As at 31 March 2021	**-**	**-**
Additions	77.12	77.12
As at 31 March 2022	**77.12**	**77.12**
Amortisation and impairment		
As at 01 April 2020		
Amortisation	-	-
As at 31 March 2021	**-**	**-**
Amortisation	1.38	1.38
As at 31 March 2022	**1.38**	**1.38**
Net Book Value		
As at 31 March 2022	**75.74**	**75.74**
As at 31 March 2021	**-**	**-**

Note 4: Capital work-in-progress (CWIP)

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Opening balance	1.89	-
Additions	-	1.89
Capitalised	(1.89)	-
Total	**-**	**1.89**

CWIP Ageing Schedule as at 31 March 2022	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress		-	-	-	**-**
Projects temporarily suspended	-	-	-	-	**-**
Total	**-**	**-**	**-**	**-**	**-**

CWIP Ageing Schedule as at 31 March 2021	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.89	-	-	-	**1.89**
Projects temporarily suspended	-	-	-	-	**-**
Total	**1.89**	**-**	**-**	**-**	**1.89**

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2022
Note 5: Investments in subsidiaries

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Equity investments, at cost (unquoted)		
Indigrid Limited ("IGL") (formerly known as "Sterlite Grid 1 Limited")		
[17.67 million (31 March 2021: 17.67 million) equity shares of Rs 10 each fully paid-up]	1,929.22	1,929.22
Less: Provision for impairment (refer note 25)	(1,929.22)	(1,929.22)
	-	-
Indigrid 1 Limited ("IGL1") (formerly known as "Sterlite Grid 2 Limited") #	14,041.18	14,041.76
[93.35 million equity shares (31 March 2021: 93.35 million) of Rs. 10 each fully paid up]		
Indigrid 2 Limited ("IGL2") (formerly known as "Sterlite Grid 3 Limited") *	536.84	518.31
[26.05 million equity shares (31 March 2021: 26.05 million) of Rs. 10 each fully paid up]		
Patran Transmission Company Limited ("PTCL") **	735.53	735.53
[50 million (31 March 2021: 50 million) equity shares of Rs 10 each fully paid-up]		
East-North Interconnection Company Limited ("ENICL")	1,290.26	1,294.72
[1.05 million equity shares (31 March 2021: 1.05 million) of Rs. 10 each fully paid up]		
Gurgaon-Palwal Transmission Limited ("GPTL") ^	905.79	906.36
[0.69 million equity shares (31 March 2021: 0.69 million) of Rs. 10 each fully paid up]		
Jhajjar KT Transco Private Limited ("JKTPL") ^^		
[22.66 million equity shares (31 March 2021: 22.66 million) of Rs. 10 each fully paid up]	1,418.21	1,404.20
Parbati Koldam Transmission Company Limited ("PrKTCL") ##	3,205.52	3,212.97
[201.90 million equity shares (31 March 2021: 201.90 million) of Rs. 10 each fully paid up]		
NER II Transmission Limited ("NER") @@	19,280.83	14,090.65
[2.32 million equity shares (31 March 2021: 2.32 million) of Rs. 10 each fully paid up]		
IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited)	78.73	-
[12.00 million equity shares (31 March 2021: Nil) of Rs. 10 each fully paid up]		
IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited)	85.17	-
[12.00 million equity shares (31 March 2021: Nil) of Rs. 10 each fully paid up]		
Preference shares, at cost (unquoted)		
Indigrid Limited ("IGL") (formerly known as "Sterlite Grid 1 Limited")		
[665.82 million (31 March 2021: 665.82 million) 0.01% Optionally convertible redeemable non cumulative preference shares ("OCRPS") of Rs. 10 each fully paid-up] *	1,001.96	1,001.96
Less: Provision for impairment (refer note 25)	(1,001.96)	(13.39)
	-	**988.57**
Compulsorily-convertible debentures (unquoted) (at amortised cost)		
IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited)	550.81	-
[81.628684 million compulsorily convertible debentures (31 March 2021: Nil) of Rs. 10 each]		
IndiGrid Solar-II (AP) Private Limited	606.04	-
[81.00 million compulsorily convertible debentures (31 March 2021: Nil) of Rs. 10 each]		
Total non-current investments	**42,734.91**	**37,193.07**

* The OCRPS are either convertible into equity shares of IGL in the ratio of 1:1 or redeemable solely at the option of IGL within a period of 7 years from the date of issue.

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Ownership interest % 31 March 2022	31 March 2021
Directly held by the Trust:			
Indigrid Limited ("IGL")	India	100%	100%
Indigrid 1 Limited ("IGL1")	India	100%	100%
Indigrid 2 Limited ("IGL2")	India	100%	100%
Patran Transmission Company Limited ("PTCL")	India	100%	74%
East-North Interconnection Company Limited@	India	100%	49%
Gurgaon-Palwal Transmission Limited ("GPTL")^	India	49%	49%
Jhajjar KT Transco Private Limited ("JKTPL")^^	India	100%	100%
Parbati Koldam Transmission Company Limited ('PrKTCL') ##	India	74%	74%
NER II Transmission Limited ("NER") @@	India	49%	49%
IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) ^^^	India	100%	0%
IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) ^^^	India	100%	0%
Indirectly held by the Trust (through subsidiaries):			
Bhopal Dhule Transmission Company Limited ("BDTCL")	India	100%	100%
Jabalpur Transmission Company Limited ("JTCL")	India	100%	100%
Purulia & Kharagpur Transmission Company Limited ("PKTCL")	India	100%	100%
RAPP Transmission Company Limited ("RTCL")	India	100%	100%
Maheshwaram Transmission Limited ("MTL")	India	100%	100%
NRSS XXIX Transmission Limited ("NTL")	India	100%	100%
Odisha Generation Phase-II Transmission Limited ("OGPTL")	India	100%	100%
Kallam Transmission Limited ("KTL")@@@	India	100%	0%

^The Trust acquired 49% of paid up equity capital of Gurgaon Palwal Transmission Limited ('GPTL') with effect from 28 August 2020 from Sterlite Power Grid Ventures Limited ('SPGVL') (merged with "Sterlite Power Transmission Limited" (SPTL)) and Sterlite Grid 4 Limited ('SGL4'), (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 28 August 2020 ("SPA"). The Trust has finalised purchase consideration for acquisition of entire stake in GPTL and has entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in GPTL from the Selling Shareholders. The Trust has beneficial interest based on the rights available to it under the SPA.

^^ The Trust acquired 74% of paid up equity capital of Jhajjar KT Transco Private Limited ('JKTPL') with effect from 28 September 2020 from Kalpataru Power Transmission Limited, Techno Electric & Engineering Company Limited, (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 29 May 2020 ("SPA") and acquired the remaining 26% equity stake in JKTPL on 03 October 2020.

The Trust acquired 74% of paid up equity capital of Parbati Koldam Transmission Company Limited ('PrKTCL') with effect from 08 January 2021 from Reliance Infrastructure Limited (referred as "the Selling Shareholder") pursuant to Share Purchase Agreement dated 28 November 2020 ("SPA"). The balance 26% share in PrKTCL is held by PowerGrid Corporation of India Limited ("PGCIL").

@@ The Trust also acquired 49% of paid up equity capital of NER II Transmission Limited ("NER") with effect from 25 March 2021 from Sterlite Power Transmission Limited (SPTL)) and Sterlite Grid 4 Limited ('SGL4'), (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 05 March 2021, as amended on 25 March 2021 ("SPA"). The Trust has finalised purchase consideration for acquisition of entire stake in NER and has entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in NER from the Selling Shareholders. As of 31 March 2021, the Trust has paid additional consideration equivalent to 25% of the total consideration as an advance which would be adjusted towards payable for acquisition of 25% of equity stake. The Trust has beneficial interest based on rights available to it under SPA

^^^The Trust also acquired 100% of paid up equity capital of IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) ('ISPL1') and IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) ('ISPL2') with effect from 13 July 2021 from FRV Solar Holdings XI B.V. and Fotowatio Renewable Ventures S.L (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 18 December 2020 ("SPA").

@@@The letter of intent for development of Kallam Transmission Limited (KTL) is awarded to consortium of IGL1 and IGL2 ("IndiGrid Consortium") by the REC Power Development and Consultancy Limited (formerly known as REC Power Distribution Company Limited) on 30 November 2021 for a 35-year period from the scheduled commercial operation date, on a Build, Own, Operate and Maintain model. IndiGrid Consortium acquired the project on 28 December 2021 pursuant to Share Purchase Agreement ("SPA"). The project is currently under development with scheduled commissioning on 27 June 2023.

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2022

Note 6: Investments

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Non-Current		
Non-convertible debentures (unquoted) (at amortised cost)		
Indigrid Limited ("IGL") (formerly known as "Sterlite Grid 1 Limited")	6,915.54	-
(665.82 million (31 March 2021: 665.82 million) 0.01% Non-convertible debentures of Rs 10 each)#		
Less: Provision for impairment (refer note 25)	(684.17)	
Total	**6,231.37**	**-**
Current		
Non-convertible debentures (unquoted) (at amortised cost)		
Indigrid Limited ("IGL") (formerly known as "Sterlite Grid 1 Limited")	-	6,448.33
(665.82 million (31 March 2021: 665.82 million) 0.01% Non-convertible debentures of Rs 10 each)#		
Total	**-**	**6,448.33**

Non Convertible debenture (NCD) of Face value of Rs.10 each were issued by Indigrid Limited (formerly known as "Sterlite Grid 1 Limited"). The NCD were redeemable at the option of the NCD holder anytime after 22 July 2019, but if the NCD holders do not exercise their right of redeeming the NCDs, the same were due for repayment at the end of July 2021. On 20 July 2021, the due date of redemption of NCD was revised to 22 July 2024. Since the interest rate for the NCD is below market rate, an equivalent amount has been re-classified as equity contribution in subsidiary disclosed under investment in subsidiary.

Note 7: Loans (unsecured, considered good)

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Non-current		
Loan to subsidiaries (refer note 27)*	1,32,476.19	1,11,361.96
Total	**1,32,476.19**	**1,11,361.96**

Details of loan to subsidiaries	**Rate of Interest**	**Secured/ unsecured**	**31 March 2022 (Rs. in million)**	**31 March 2021 (Rs. in million)**
Bhopal Dhule Transmission Company Limited	15.00%	Unsecured	8,825.32	8,330.72
Jabalpur Transmission Company Limited	15.00%	Unsecured	19,167.86	18,803.95
Maheshwaram Transmission Limited	15.00%	Unsecured	3,943.81	3,900.73
RAPP Transmission Company Limited	15.00%	Unsecured	2,053.52	2,149.13
Purulia & Kharagpur Transmission Company Limited	15.00%	Unsecured	3,612.50	3,766.87
Patran Transmission Company Limited	15.00%	Unsecured	1,571.86	1,730.28
NRSS XXIX Transmission Limited	15.75%	Unsecured	24,288.06	25,555.01
Odisha Generation Phase-II Transmission Limited	15.00%	Unsecured	10,951.24	5,729.37
East North Interconnection Company Limited	15.00%	Unsecured	8,410.97	9,041.96
Gurgaon-Palwal Transmission Limited	15.00%	Unsecured	9,783.28	2,751.21
Jhajjar KT Transco Private Limited	15.00%	Unsecured	1,549.81	1,720.30
Parbati Koldam Transmission Company Limited	8.45%	Unsecured	3,481.42	-
NER II Transmission Limited	15.00%	Unsecured	28,105.73	27,305.57
IndiGrid Solar-I (AP) Private Limited	15.00%	Unsecured		-
(formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited)		Unsecured	2,841.34	-
IndiGrid Solar-II (AP) Private Limited	15.00%	Unsecured		-
(formerly FRV India Solar Park-II Private Limited)		Unsecured	2,776.51	-
Indigrid Limited	15.00%	Unsecured	583.23	341.10
Indigrid 1 Limited	15.75%	Unsecured	93.03	-
Indigrid 2 Limited	15.00%	Unsecured	253.12	235.76
Kallam Transmission Limited	15.50%	Unsecured	183.60	
Total			**1,32,476.19**	**1,11,361.96**

* Loans are non-derivative financial assets which are repayable by subsidiaries upon expiry of period of their respective Transmission Services Agreement. Further, the subsidiaries are entitled to prepay all or any portion of the outstanding principal with a prior notice. The loans to subsidiaries carry interest @ 8.45% - 15.75% p.a.

Note 8: Other financial assets (unsecured, considered good) (carried at amortised cost)

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Non-Current		
Security deposits	38.90	
Bank deposits with remaining maturity of more than 12 months# (refer note 11)	418.00	-
Total	**456.90**	**-**
Current		
Interest receivable from subsidiaries (refer note 27)	3,190.79	518.30
Advances receivable in cash or kind	2.19	6.30
Interest accrued on deposits	68.32	26.19
Others	0.05	-
Total	**3,261.35**	**550.79**

The above deposits of INR 418.00 million (31 March 2021: INR Nil million) are kept in Interest Service Reserve Account ('ISRA')/ Debt Service Reserve Account ('DSRA') as per borrowing agreements with lenders.

Note 9: Other non current assets (unsecured , considered good)

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Advance income tax, including TDS (net of provisions)	28.41	19.71
Others	3.42	-
Total	**31.83**	**19.71**

Note 10: Cash and cash equivalents

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Balance with banks		
- in current accounts ^	7,846.97	4,279.55
Deposit with original maturity of less than 3 months #	-	2,625.65
Total	**7,846.97**	**6,905.20**

Balances with banks on current accounts does not earn interest. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash-requirement of the Trust and earn interest at the respective deposit rates.

^ Out of total amount, Rs. 11.38 million (31 March 2021: Rs. 9.35 million) pertains to unclaimed distribution to unitholders.

Includes amount of NIL (31 March 2021: Rs. 2,044.20 million) is kept in Debt Service Reserve Account ('DSRA') as per borrowing agreements with lenders.

Note 11: Other bank balances

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Current		
Deposit with original maturity for more than 12 months#	1,648.50	498.95
Amount disclosed under the head "other non current financial asset"	(418.00)	-
	1,230.50	**498.95**
Deposit with original maturity for more than 3 months but less than 12 months #	1,092.08	342.10
Total	**2,322.58**	**841.05**

Includes amount of INR 2,322.58 million (31 March 2021: Nil) kept in Interest Service Reserve Account ('ISRA')/ Debt Service Reserve Account ('DSRA') as per borrowing agreements with lenders.

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INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2022
Note 12: Unit Capital

Reconciliation of the units outstanding at the beginning and at the end of the reporting period

	Number of units (In million)	Amount (Rs. in million)
As at 01 April 2020	583.49	53,145.69
Units issued during the year	-	-
As at 31 March 2021	**583.49**	**53,145.69**
Units Issued during the year (refer note below)	116.70	12,836.49
Issue expenses (refer note below)	-	(79.03)
As at 31 March 2022	**700.19**	**65,903.15**

Note:
a) The Trust offered an issue of up to 116,695,404 units of India Grid Trust ("Indigrid" and such units, the "units"), for cash at a price of Rs. 110.00 per unit (the "issue price"), aggregating to Rs. 12,836.49 million to the eligible unitholders (as defined in the Letter of Offer) on a rights basis in the ratio of one lot for every five lots (each lot comprising 1,701 units) held by them on the record date, being 30 March 2021 (the "Issue") in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 including the rules, circulars and guidelines issued thereunder, including the SEBI Rights Issue Guidelines (the "InvIT Regulations"). The issue opened on 06 April 2021 and closed on 13 April 2021, which was extended to 16 April 2021. The Allotment Committee of the Board of Directors of IndiGrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) ('Investment Manager'), considered and approved allotment of 116,695,404 rights units to the eligible unitholders of IndiGrid on 22 April 2021.

b) Issue expenses of Rs. 79.03 million incurred in connection with issue of units have been reduced from the Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation.

a. Terms/rights attached to units
The Trust has only one class of units. Each unit represents an undivided beneficial interest in the Trust. Each holder of unit is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in every six months in each financial year in accordance with the InvIT Regulations. The Investment Manager approves distributions. The distribution will be in proportion to the number of units held by the unitholders. The Trust declares and pays distribution in Indian rupees.

A unitholder has no equitable or proprietary interest in the projects of IndiGrid and is not entitled to any share in the transfer of the projects (or any part thereof) or any interest in the projects (or any part thereof) of IndiGrid. A unitholder's right is limited to the right to require due administration of IndiGrid in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

b. Unitholders holding more than 5 percent Units in the Trust

	31 March 2022 (Nos. in million)	% holding	31 March 2021 (Nos. in million)	% holding
Esoteric II Pte. Limited	165.90	23.69%	136.04	23.31%
Government of Singapore	140.18	20.02%	116.82	20.02%
Larsen And Toubro Limited	38.07	5.44%	36.68	6.29%
Sterlite Power Transmission Limited *	-	0.00%	2.04	0.35%

* Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL') wef 15 November 2020.

c. The Trust has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of incorporation till the balance sheet date. Further the Trust has not issued any units for consideration other than cash from the date of incorporation till the balance sheet date.

Note 13: Other Equity

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Retained earnings/ (Accumulated deficit)		
Balance as per last financial statements	1,951.03	(1,713.72)
Add: Profit for the year	9,208.60	10,724.92
Less: Distribution paid to unitholders	(8,866.01)	(7,060.17)
Closing balance	**2,293.62**	**1,951.03**

Retained earnings are the profits earned by the Trust till date, less distribution paid to unitholders.

Note 14: Borrowings

	Effective Interest Rate	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Non-Current borrowings			
Debentures			
6.65% Category I & II Non-convertible debentures (refer note D below)	6.65%	0.01	-
6.75% Category III & IV Non-convertible debentures (refer note D below)	7.23%	100.79	-
7.45% Category I & II Non-convertible debentures (refer note D below)	7.76%	849.69	-
7.6% Category III & IV Non-convertible debentures (refer note D below)	7.91%	953.34	-
7.7% Category I & II Non-convertible debentures (refer note D below)	7.94%	991.64	-
7.9% Category III & IV Non-convertible debentures (refer note D below)	8.14%	403.95	-
7.49% Category I & II Non-convertible debentures (refer note D below)	7.49%	4.72	-
7.69% Category III & IV Non-convertible debentures (refer note D below)	7.93%	118.83	-
7.95% Category I & II Non-convertible debentures (refer note D below)	8.14%	124.80	-
8.2% Category III & IV Non-convertible debentures (refer note D below)	8.39%	5,913.14	-
7.72% Category I & II Non-convertible debentures (refer note D below)	7.72%	4.72	-
7.97% Category III & IV Non-convertible debentures (refer note D below)	8.15%	406.78	-
7.11% Non-convertible debentures (secured) (refer note A below)	7.11%	4,350.00	4,350.00
8.60% Non-convertible debentures (secured) (refer note A below)	8.60%	2,500.00	2,500.00
8.40% Non-convertible market linked debentures (secured) (refer note B below)	NA	-	1,702.19
9.00% Non-convertible market linked debentures (secured) (refer note B below)	NA	-	1,976.71
8.85% Non-convertible debentures (secured) (refer note A below)	9.53%	-	1,980.06
9.10% Non-convertible debentures (secured) (refer note A below)	9.51%	2,976.28	16,925.60
8.40% Non-convertible debentures (secured) (refer note A and (i) below)	8.30%	3,497.63	3,496.51
6.72% Non-convertible debentures (secured) (refer note A and (i) below)	6.81%	8,470.48	-
6.52% Non-convertible debentures (secured) (refer note C and (i) below)	6.76%	1,488.66	-
7.00% Non-convertible debentures (secured) (refer note A below)	7.05%	2,493.70	2,496.17
7.25% Non-convertible debentures (secured) (refer note A below)	7.38%	1,494.65	1,493.30
7.40% Non-convertible debentures (secured) (refer note C below)	7.61%	993.54	992.09
7.32% Non-convertible debentures (secured) (refer note A below)	7.35%	3,991.06	-
8.50% Non-convertible debentures (secured) (refer note A and (i) below)	8.75%	3,982.52	3,974.08
7.25% Non-convertible debentures (secured) (refer note C and (i) below)	NA	-	26,498.93
		46,110.93	**68,385.64**
Term loans			
Indian rupee loan from banks (secured) (refer note D and (ii) below)	7.00%-8.85%	61,375.49	35,631.63
		61,375.49	**35,631.63**
Total non-current borrowings		**1,07,486.42**	**1,04,017.27**

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2022

Current borrowings		**31 March 2022 (Rs. in million)**	**31 March 2021 (Rs. in million)**
Current maturities of long term borrowings			
8.85% Non-convertible debentures (secured) (refer note A below)	9.53%	1,989.20	-
9.10% Non-convertible debentures (secured) (refer note A below)	9.36%	13,993.83	-
8.10% Non-convertible debentures (secured) (refer note A and i below)	NA	-	998.83
Indian rupee loan from banks (secured) (refer note D and (ii) below)	7.00%-8.85%	1,232.50	493.55
Total current borrowings		**17,215.53**	**1,492.38**
The above amount includes :			
Secured borrowings		1,24,701.95	1,05,509.65
Unsecured borrowings		-	-
Total borrowings		**1,24,701.95**	**1,05,509.65**

(i) The above items represent new secured non-convertible debentures that have been issued by the Trust during the year ended 31 March 2021.
(ii) During the year ended 31 March 2022 the Trust has taken new Indian rupee loan from banks of Rs. 27,600 million (31 March 2021: Rs. 24,900 million.)

(A) Secured Non-convertible debentures referred above to the extent of:
(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust;
(iii) Pledge over 51% of the share capital of specified SPVs.

(B) Secured market linked non-convertible debentures referred above to the extent of:
(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust;
(iii) Pledge over 51% of the share capital of specified SPVs.

During the year, the Trust has prepaid the market linked non-convertible debentures.
(C) Secured non-convertible debentures referred above to the extent of:
(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust
(iii) First pari-passu charge on the ISRA and DSRA accounts.
(iv) Pledge over 51% of the share capital of specified SPVs
(D) Secured Listed non-convertible debentures referred above to the extent of:
(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust
(iii) First pari-passu charge on the ISRA and DSRA accounts.
(iv) Pledge over 51% of the share capital of specified SPVs

The below table shows the maturity profile of outstanding NCD and MLD of the Trust the principal of which is repayable in full at the time of maturity :

Rate of Interest	**Repayment Commencement Date**	**2022-2023**	**2023-2024**	**2024-2025**	**2025-2026**	**2026-2027**
14,000 9.10% Non-convertible debentures of Rs. 10,00,000 each	03 June 2022	14,000.00	-	-	-	-
2,000 8.85% Non-convertible debentures of Rs. 10,00,000 each	02 November 2022	2,000.00	-	-	-	-
4,000 8.50% Non-convertible debentures of Rs. 10,00,000 each	01 March 2024	-	4,000.00	-	-	-
2,500 7.00% Non-convertible debentures of Rs. 10,00,000 each	28 June 2024	-	-	2,500.00	-	-
3000 9.10% Non-convertible debentures of Rs. 10,00,000 each	29 July 2024	-	-	3,000.00	-	-
1,500 7.25% Non-convertible debentures of Rs. 10,00,000 each	27 June 2025	-	-	-	1,500.00	-
1,000 7.40% Non-convertible debentures of Rs. 10,00,000 each	26 December 2025	-	-	-	1,000.00	-
2,500 8.60% Non-convertible debentures of Rs. 10,00,000 each	31 August 2028	-	-	-	-	-
4,350 7.11% Non-convertible debentures of Rs. 10,00,000 each	14 February 2029	-	-	-	-	-
2,500 8.40% Non-convertible debentures of Rs. 10,00,000 each	14 June 2023	-	2,500.00	-	-	-
1,000 8.40% Non-convertible debentures of Rs. 10,00,000 each	14 June 2023	-	1,000.00	-	-	-
4,000 7.32% Non-convertible debentures of Rs. 10,00,000 each	30 June 2031	-	-	-	-	-
8,500 6.72% Non-convertible debentures of Rs. 10,00,000 each	14 September 2026	-	-	-	-	8,500.00
1,500 6.52% Non-convertible debentures of Rs. 10,00,000 each	07 April 2025	-	-	-	1,500.00	-

Public NCD

Rate of Interest	**Repayment Commencement Date**	**2024-2025**	**2026-2027**	**2028-2029**	**2031-2032**
6.65% Category I & II Non-convertible debentures	06 May 2024	0.01	-	-	-
6.75% Category III & IV Non-convertible debentures	06 May 2024	101.82	-	-	-
7.45% Category I & II Non-convertible debentures	06 May 2026	-	859.85	-	-
7.6% Category III & IV Non-convertible debentures	06 May 2026	-	964.74	-	-
7.7% Category I & II Non-convertible debentures	06 May 2028	-	-	1,004.25	-
7.9% Category III & IV Non-convertible debentures	06 May 2028	-	-	409.09	-
7.49% Category I & II Non-convertible debentures	06 May 2028	-	-	4.72	-
7.69% Category III & IV Non-convertible debentures	06 May 2028	-	-	120.34	-
7.95% Category I & II Non-convertible debentures	06 May 2031	-	-	-	126.46
8.2% Category III & IV Non-convertible debentures	06 May 2031	-	-	-	5,991.84
7.72% Category I & II Non-convertible debentures	06 May 2031	-	-	-	4.72
7.97% Category III & IV Non-convertible debentures	06 May 2031	-	-	-	412.18

(D) Term loan from bank

The Indian rupee term loan from bank carries interest at the rate of 7.40% to 8.25% payable monthly. Loan amount installments shall be repayable as per the payment schedule over 5 and 15 years from the date of disbursement. The term loan is secured by (i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs; (ii) First pari-passu charge on Escrow account of the Trust.

Financial covenants

Loans from bank, financial institution contain certain debt covenants relating to limitation on interest service coverage ratio, debt service coverage ratio, Net Debt to AUM, Net Debt to EBITDA etc. The financial covenants are reviewed on availability of audited accounts of the respective borrower periodically. For the financial year ended 31 March 2022, the Trust has satisfied all debt covenants prescribed in the terms of loan from bank and financial institutions, where applicable. The Trust has not defaulted on any loans payable.

Note 15: Trade payables (carried at amortised cost)

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	55.87	-
	55.87	**-**
Trade payables		
- to related parties (refer note 27)	0.07	-
- to others	55.80	-
Total	**55.87**	**-**

Trade payable Ageing schedule as at 31 March 2022

			Outstanding for following periods from the due date of payment		
	Unbilled	**Not due**	**Less than 1 year**	**1-2 years**	**2-3 years**
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	34.08	-	21.79	-	-
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-

Trade payable Ageing schedule as at 31 March 2021

			Outstanding for following periods from the due date of payment		
	Unbilled	**Not due**	**Less than 1 year**	**1-2 years**	**2-3 years**
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-

Trade payables are not-interest bearing and are normally settled on 30-90 days terms.
For explanation on the Company's risk management policies, refer note 31.

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INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2022
Note 16: Other financial liabilities (carried at amortised cost)

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Other financial liabilities		
Interest accrued but not due on borrowings	981.19	823.65
Distribution payable	11.38	9.58
Payable towards project acquired#		
- To related party (refer note 27)	1,108.97	1,694.94
- To others	374.92	57.14
Others*	6.91	120.36
	2,483.37	**2,705.67**
Total	**2,483.37**	**2,705.67**

Liability of Rs. 1,483.89 million (31 March 2021: Rs. 1,752.08 million) is towards acquisition of equity shares of NRSS XXIX Transmission Limited, Odisha Generation Phase-II Transmission Limited, East-North Interconnection Company Limited, Gurgaon-Palwal Transmission Limited , Jhajjar KT Transco Private Limited , Parbati Koldam Transmission Company Limited ,NER II Transmission Limited ,IndiGrid Solar-I (AP) Private Limited(formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) and IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) pursuant to respective share purchase agreements.

* Other payables are non-interest bearing and have an average term of six months and includes amounts pertaining to provision for expenses.
For explanation on the Company's risk management policies, refer note 31.

Note 17: Other current liabilities

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Current		
Withholding taxes (TDS) payable	0.78	8.46
GST payable	0.02	1.50
Total	**0.80**	**9.96**

Note 18: Tax expense

The major components of income tax expense for the years ended 31 March 2022 and 31 March 2021 are:

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
- Current tax	23.62	-
- Income tax for earlier years	-	(1.18)
Income tax expenses reported in the statement of profit and loss	**23.62**	**(1.18)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2022 and 31 March 2021:

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Accounting profit before income tax	9,232.22	10,723.74
At India's statutory income tax rate of 42.74% (31 March 2021: 31.20%)	3,495.85	3,345.81
Impact of exemption u/s 10(23FC) of the Income Tax Act, 1961 available to the Trust	(3,495.85)	(3,346.99)
At the effective income tax rate	23.62	(1.18)
Income tax expense reported in the statement of profit and loss	**23.62**	**(1.18)**

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Note 19: Revenue from operations

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Interest income on loans given to subsidiaries (refer note 27)	19,558.18	11,863.88
Finance income on non-convertible debentures issued by subsidiary on EIR basis	467.21	624.43
Total	**20,025.39**	**12,488.31**

Note 20: Other income

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Processing fees on loan given to subsidiary (refer note 27)	18.85	-
Other income	0.18	
Total	**19.03**	**-**

Note 21: Other expenses

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Investment management fees (refer note 27)	6.53	2.14
Rent	-	0.37
Rates and taxes	7.91	7.45
Insurance expenses	0.98	0.27
Vehicle hire charges	-	0.06
Interest on TDS	-	3.15
Earn out expenses *	-	796.62
Advertisement expenses		-
Miscellaneous expenses	6.37	17.88
Total	**21.79**	**827.94**

*Earn out expense of Nil (31st March 2021 :INR 796.62 million) paid to Sterlite Power Grid Ventures (now merged with Sterlite Power Transmission Limited) on account of amounts received by the Trust due to change in law orders received by its subsidiary entities. Such amounts are passed on to the selling shareholder as per the terms of the respective agreements with them.

Note 22: Depreciation expense

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Depreciation of property plant and equipment (refer note 3.1)	0.37	-
Amortisation of intangible assets (refer note 3.2)	1.38	-
Total	**1.75**	**-**

Note 23: Finance Cost

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Financial liabilities measured at amortised cost	9,429.84	4,345.42
Other bank and finance charges	2.99	1.55
Total	**9,432.83**	**4,346.97**

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Note 24: Earnings per unit (EPU)

Basic EPU amounts are calculated by dividing the profit for the year attributable to unit holders by the weighted average number of units outstanding during the year.

Diluted EPU amounts are calculated by dividing the profit for the year attributable to unit holders by the weighted average number of units outstanding during the year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

The following reflects in the profit and unit data used in the basic and diluted EPU computation

	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Profit after tax for calculating basic and diluted EPU (Rs. in million)	9,208.60	10,724.92
Weighted average number of units in calculating basic and diluted EPU (No. in million)	693.14	583.49
Effect of dilution:		
Weighted average number of equity shares in calculating diluted EPU (No. million)		
Earnings Per Unit:		
Basic and Diluted (Rupees/unit)	13.29	18.38

Note 25: Significant accounting judgements, estimates and assumptions

The preparation of the Trust's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements
In the process of applying the Trust's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

(a) Classification of Unitholders' funds
Under the provisions of the InvIT Regulations, IndiGrid is required to distribute to unitholders not less than ninety percent of the net distributable cash flows of IndiGrid for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its unitholders cash distributions. The unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016) issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20 October 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unit holders is recognised as liability when the same is approved by the Investment Manager.

Estimates and assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities or fair value disclosures within the next financial year, are described below. The Trust based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Trust. Such changes are reflected in the assumptions when they occur.

(a) Fair valuation and disclosures
SEBI Circulars issued under the InvIT Regulations require disclosures relating to net assets at fair value and total returns at fair value (refer note 26A and 26B). In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuers to perform the valuation. The management works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the valuation report and findings to the Board of the Investment Manager quarterly to explain the cause of fluctuations in the fair value of the transmission projects. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc. Changes in assumptions about these factors could affect the fair value.

(b) Impairment of non-financial assets
Non-financial assets of the Trust primarily comprise of investments in subsidiaries.

The provision for impairment/(reversal) of impairment of investments in subsidiaries is made based on the difference between the carrying amounts and the recoverable amounts. The recoverable amount of the investments in subsidiaries has been computed by external independent valuation experts based on value in use calculation for the underlying projects (based on discounted cash flow model). On a periodic basis, according to the recoverable amounts of individual portfolio assets computed by the valuation experts, the Trust tests impairment on the amounts invested in the respective subsidiary companies. Based on the valuation exercise so carried out, there is a net impairment of Rs. 1,672.75 million for the year ended 31 March 2022 (year ended 31 March 2021: impairment reversal of Rs. 3,497.47 million) which is primarily on account of maturity of the SPV assets.

The key assumptions used to determine the recoverable amount for the underlying projects are disclosed and further explained in Note 26A.

Note 26A: Fair value measurements

Description of significant unobservable inputs to valuation:

(Rs in million)

Significant unobservable inputs	Input for 31 March 2022	Input for 31 March 2021	Sensitivity of input to the fair value	Increase /(decrease) in fair value 31 March 2022	31 March 2021
WACC	7.55% to 9.12%	7.57% to 8.23%	+ 0.5%	(10,168.42)	(11,336.00)
			- 0.5%	11,434.87	9,083.00
Tax rate (normal tax and MAT)	Normal Tax - 25.168%	Normal Tax - 25.168%	+ 2%	(520.00)	(410.22)
			- 2%	471.00	374.92
Inflation rate	Revenue(Esclable):5.00%	Revenue(Esclable):5.00%	+ 1%	(3,173.14)	(1,850.04)
	Expenses: 2.46% to 4.84%	Expenses: 2.63% to 4.97%	- 1%	2,604.90	1,495.56

The independent valuer has considered effect of COVID-19 on the significant unobservable inputs used in fair valuation as referred above.

Note 26B: Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Trust's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2022 and 31 March 2021: **(Rs. in million)**

	Date of valuation	Fair value measurement using Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets for which fair values are disclosed:				
Investment in subsidiaries (including loan to subsidiaries)	31 March 2022	-	-	2,00,167.00
	31 March 2021	-	-	1,84,778.16

There have been no transfers among Level 1, Level 2 and Level 3.

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2022

Note 27: Related party disclosures

I. List of related parties as per the requirements of Ind AS 24 - Related Party Disclosures

(a) Name of related party and nature of its relationship:
Subsidiaries
Indigrid Limited (formerly known as Sterlite Grid 1 Limited) (IGL)
Indigrid 1 Limited (formerly known as Sterlite Grid 2 Limited) (IGL1)
Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited) (IGL2)
Bhopal Dhule Transmission Company Limited (BDTCL)
Jabalpur Transmission Company Limited (JTCL)
Maheshwaram Transmission Limited (MTL)
RAPP Transmission Company Limited (RTCL)
Purulia & Kharagpur Transmission Company Limited (PKTCL)
Patran Transmission Company Limited (PTCL)
Odisha Generation Phase II Transmission Limited (OGPTL)
East-North Interconnection Company Limited (ENICL)
Gurgaon-Palwal Transmission Limited (GPTL) (from 28 August 2020)
Jhajjar KT Transco Private Limited (JKTPL) (from 28 September 2020)
Parbati Koldam Transmission Company Limited ('PrKTCL') (from 08 January 2021)
NER II Transmission Limited ("NER") (from 25 March 2021)
IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) (IGS1) (from 13 July 2021)
IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) (IGS2) (from 13 July 2021)
Kallam Transmission Limited (KTL) (from 28 December 2021)

(b) Other related parties under Ind AS-24 with whom transactions have taken place during the year
Entities with significant influence over the Trust
Esoteric II Pte. Ltd (from 04 May 2019) - Sponsor w.e.f. 28 September 2020
Sterlite Power Grid Ventures Limited (SPGVL)^ - Sponsor and Project manager of IndiGrid - upto 15 November 2020
Sterlite Power Transmission Limited (SPTL) - Sponsor of IndiGrid - w.e.f. 15 November 2020
Sterlite Grid 4 Limited (SGL4)^^ - Subsidiary of Sponsor (SPTL)
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) (IIML) - Investment manager of IndiGrid

II. List of related parties as per Regulation 2(1)(zv) of the InvIT Regulations

(a) Parties to IndiGrid
Esoteric II Pte. Ltd (EPL) - Sponsor (w.e.f. 28 September 2020)
Sterlite Power Grid Ventures Limited (SPGVL)^ - Sponsor and Project manager of IndiGrid (upto 15 November 2020)
Sterlite Power Transmission Limited (SPTL) - Sponsor of IndiGrid (w.e.f. 15 November 2020)
Sterlite Power Transmission Limited (SPTL) - Project manager of IndiGrid (upto 30 June 2021 for all SPV other than NER)
Indigrid Limited (IGL) (formerly Sterlite Grid 1 Limited) - Project manager of IndiGrid (for all SPVs)
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) (IIML) - Investment manager of IndiGrid
Axis Trustee Services Limited (ATSL) - Trustee of IndiGrid

(b) Promoters of the parties to IndiGrid specified in (a) above
Twin Star Overseas Limited - Promoter of SPTL
Sterlite Power Transmission Limited - Promoter of IIML*
Electron IM Pte. Ltd. - Promoter of IIML *
Axis Bank Limited - Promoter of ATSL
KKR Ingrid Co-Invest L.P.-Cayman Island - Promoter of EPL

(c) Directors of the parties to IndiGrid specified in (a) above
Directors of SPTL:
Pravin Agarwal
Pratik Agarwal
A. R. Narayanaswamy
Arun Todarwal Lalchand (till 24 July 2021)
Zhao Haixia
Avaantika Kakkar (till 02 February 2021)
Anoop Seth
Manish Agarwal (from 17 December 2021)

Directors of IIML:
Harsh Shah (whole time director)
Tarun Kataria
Rahul Asthana
Ashok Sethi (from 20 October 2020)
Hardik Shah (from 30 November 2021)
Jayashree Vaidhyanthan (from 30 November 2021)
Ami Momaya (from 27 January 2022)
Late Shashikant Bhojani (till 22 July 2020)
Pratik Agarwal (till 14 January 2022)
Sanjay Omprakash Nayar (till 27 January 2022)

Key Managerial Personnel of IIML:
Harsh Shah (CEO and whole time director)
Jyoti Kumar Agarwal (Chief Financial Officer wef 16 September 2020)
Swapnil Patil (Company Secretary)

Directors of ATSL:
Rajesh Kumar Dahiya
Ganesh Sankaran
Deepa Rath (from 01 May 2021)
Sanjay Sinha (till 30 April 2021)

Directors of Esoteric II Pte. Ltd.:
Tang Jin Rong (from 19 February 2021)
Ngan Nim Ying (from 05 April 2021)
Madhura Narawane (from 26 January 2022)
Wong Wai Kin (till 19 February 2021)
Terence Lee Chi Hur (till 19 February 2021)
Ooi Yi Jun (till 19 February 2021)
Velasco Azonos Cecilio Francisco (till 26 January 2022)

Relative of directors mentioned above:
Sonakshi Agarwal
Jyoti Agarwal
Sujata Asthana
Mala Todarwal (till 24 July 2021)

Firm in which director of sponsor is partner:
Cyril Amarchand Mangaldas (till 02 February 2021)

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2022

* During the year 2019-20, Electron IM Pte. Ltd. purchased 40% stake in Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) (IIML) from Sterlite Power Transmission Limited post which Electron IM Pte. Ltd. holds 60% of stake in IIML.

On 02 July 2021 and 14 January 2022, Sterlite Power Transmission Limited has further transferred a stake of 14% and then 26% to Electron IM Pte. Ltd. post which Electron IM Pte. Ltd. holds 100% of stake in IIML.

^ Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL') wef 15 November 2020.
^^ Sterlite Grid 4 Limited (SGL4) has been merged with Sterlite Power Transmission Limited ('SPTL') wef 17 February 2022.

(B) The transactions with related parties during the year are as follows:- **(Rs. in millions)**

Particulars	Relation	2021-22	2020-21
1. Unsecured loans given to subsidiaries			
Bhopal Dhule Transmission Company Limited (BDTCL)	Subsidiary	1,185.00	549.44
Jabalpur Transmission Company Limited (JTCL)	Subsidiary	363.91	1,959.35
Maheshwaram Transmission Limited (MTL)	Subsidiary	61.40	162.04
RAPP Transmission Company Limited (RTCL)	Subsidiary	73.33	282.34
Purulia & Kharagpur Transmission Company Limited (PKTCL)	Subsidiary	88.45	535.08
Patran Transmission Company Limited (PTCL)	Subsidiary	67.80	676.40
NRSS XXIX Transmission Limited (NRSS)	Subsidiary	487.41	19,140.97
Odisha Generation Phase II Transmission Limited (OGPTL)	Subsidiary	5,409.80	151.31
East-North Interconnection Company Limited (ENICL)	Subsidiary	283.21	12,033.25
Gurgaon-Palwal Transmission Limited (GPTL)	Subsidiary	7,662.38	901.10
Jhajjar KT Transco Private Limited (JKTPL)	Subsidiary	143.00	1,793.67
Parbati Koldam Transmission Company Limited (PrKTCL)	Subsidiary	3,792.24	-
NER II Transmission Limited (NER)	Subsidiary	905.36	27,305.57
IndiGrid Solar-I (AP) Private Limited (IGS1) formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited)	Subsidiary	2,911.34	-
IndiGrid Solar-II (AP) Private Limited (IGS2) (formerly FRV India Solar Park-II Private Limited)	Subsidiary	2,856.49	-
Kallam Transmission Limited (KTL)	Subsidiary	183.60	-
Indigrid Limited (formerly known as Sterlite Grid 1 Limited)	Subsidiary	242.13	341.11
Indigrid 1 Limited (formerly known as Sterlite Grid 2 Limited)	Subsidiary	93.03	31.22
Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited)	Subsidiary	17.36	6.19
2. Repayment of loan from subsidiaries			
Bhopal Dhule Transmission Company Limited (BDTCL)	Subsidiary	690.40	954.78
Jabalpur Transmission Company Limited (JTCL)	Subsidiary	-	700.00
Maheshwaram Transmission Limited (MTL)	Subsidiary	18.32	41.46
RAPP Transmission Company Limited (RTCL)	Subsidiary	168.94	349.67
Purulia & Kharagpur Transmission Company Limited (PKTCL)	Subsidiary	242.82	629.62
Patran Transmission Company Limited (PTCL)	Subsidiary	226.23	497.53
NRSS XXIX Transmission Limited (NRSS)	Subsidiary	1,754.36	19,290.56
Odisha Generation Phase II Transmission Limited (OGPTL)	Subsidiary	187.93	421.32
East-North Interconnection Company Limited (ENICL)	Subsidiary	914.19	3,551.90
Gurgaon-Palwal Transmission Limited (GPTL)	Subsidiary	630.32	402.17
Jhajjar KT Transco Private Limited (JKTPL)	Subsidiary	313.49	73.37
Parbati Koldam Transmission Company Limited (PrKTCL)	Subsidiary	310.82	-
NER II Transmission Limited (NER)	Subsidiary	105.20	-
IndiGrid Solar-I (AP) Private Limited (IGS1) formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited)	Subsidiary	70.00	-
IndiGrid Solar-II (AP) Private Limited (IGS2) (formerly FRV India Solar Park-II Private Limited)	Subsidiary	79.99	-
Kallam Transmission Limited (KTL)	Subsidiary	-	-
Indigrid Limited (formerly known as Sterlite Grid 1 Limited)	Subsidiary	-	-
Indigrid 1 Limited (formerly known as Sterlite Grid 2 Limited)	Subsidiary	-	-
Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited)	Subsidiary	-	0.20
3. Interest income from subsidiaries			
Bhopal Dhule Transmission Company Limited (BDTCL)	Subsidiary	1,239.73	1,321.63
Jabalpur Transmission Company Limited (JTCL)	Subsidiary	2,856.80	2,729.80
Maheshwaram Transmission Limited (MTL)	Subsidiary	589.97	581.70
RAPP Transmission Company Limited (RTCL)	Subsidiary	318.60	334.02
Purulia & Kharagpur Transmission Company Limited (PKTCL)	Subsidiary	557.65	583.68
Patran Transmission Company Limited (PTCL)	Subsidiary	249.67	258.78
NRSS XXIX Transmission Limited (NRSS)	Subsidiary	3,920.38	4,099.21
Odisha Generation Phase II Transmission Limited (OGPTL)	Subsidiary	1,559.59	905.67
East-North Interconnection Company Limited (ENICL)	Subsidiary	1,304.78	310.10
Gurgaon-Palwal Transmission Limited (GPTL)	Subsidiary	1,437.73	252.70
Jhajjar KT Transco Private Limited (JKTPL)	Subsidiary	246.67	133.13
Parbati Koldam Transmission Company Limited (PrKTCL)	Subsidiary	143.34	-
NER II Transmission Limited (NER)	Subsidiary	4,180.04	78.55
IndiGrid Solar-I (AP) Private Limited (IGS1) formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited)	Subsidiary	395.64	-
IndiGrid Solar-II (AP) Private Limited (IGS2) (formerly FRV India Solar Park-II Private Limited)	Subsidiary	388.26	-
Kallam Transmission Limited (KTL)	Subsidiary	3.33	-
Indigrid Limited (formerly known as Sterlite Grid 1 Limited)	Subsidiary	70.03	13.81
Indigrid 1 Limited (formerly known as Sterlite Grid 2 Limited)	Subsidiary	4.75	171.54
Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited)	Subsidiary	91.22	89.55
4. Dividend income from subsidiaries			
Parbati Koldam Transmission Company Limited	Subsidiary	282.66	-
5. Loan arrangement fees received from subsidiaries			
Parbati Koldam Transmission Company Limited	Subsidiary	18.85	-
6. Deposits Given			
Sterlite Power Transmission Limited	Subsidiary	36.00	-
7. Adjustment in consideration for equity shares of Indigrid 1 Limited on account of events mentioned in SPA			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	(0.58)	-
8. Consideration for equity shares of Indigrid 2 Limited on account of events mentioned in SPA			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	18.53	-
9. Adjustment in consideration for equity shares of ENICL on account of events mentioned in SPA			
Sterlite Power Grid Ventures Limited* Sterlite Power Transmission Limited	Sponsor and Project Manager/Entity with significant influence	(4.46)	-

10. Adjustment in consideration for equity shares of GPTL on account of events mentioned in SPA			
Sterlite Grid 4 Limited	Sponsor and Project Manager/Entity with significant influence	(0.57)	-
11.Purchase of equity shares of NER			
Sterlite Grid 4 Limited	Sponsor and Project Manager/Entity with significant influence	5,179.33	14,090.65
12.Rights Issue of unit capital			
Esoteric II Pte. Ltd	Sponsor/Entity with significant influence over the Trust	3,285.28	-
Sterlite Power Transmission Limited #	Sponsor of IndiGrid	44.72	-
13. Conversion of subsidiary loan and interest outstanding to equity			
Indigrid 1 Limited	Subsidiary	-	1,377.97
14. Purchase of equity shares of Indigrid 1 Limited			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	-	37.13
15. Purchase of equity shares of ENICL			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	-	6.17
16. Purchase of equity shares of GPTL			
Sterlite Grid 4 Limited	Entity with significant influence	-	906.36
17. Purchase of loan to GPTL			
Sterlite Grid 4 Limited	Entity with significant influence	-	2,252.28
18. Received towards indemnification of liabilities			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	-	15.36
19. Earn Out Expenses			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	-	796.62

Particulars	Relation	2021-22	2020-21
20. Distribution to unit holders			
Sterlite Power Grid Ventures Limited*/Sterlite Power Transmission Limited#	Sponsor of IndiGrid	14.09	537.73
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)	Investment manager of IndiGrid	6.55	2.08
Esoteric II Pte. Ltd	Sponsor/Entity with significant influence over the Trust	2,100.73	1,646.03
Pravin Agarwal	Director of Sponsor (SPTL) and Investment Manager	1.05	2.39
Harsh Shah	Whole time director of Investment Manager	0.18	0.12
Swapnil Patil	Company Secretary of Investment Manager	0.06	0.03
Sonakshi Agarwal	Relative of director	0.24	0.19
Jyoti Agarwal	Relative of director	0.30	0.25
Sujata Asthana	Relative of director	1.55	1.01
Arun Todarwal	Director of Sponsor (SPTL)	0.05	0.08
A. R. Narayanaswamy	Director of Sponsor (SPTL)	0.25	0.19
Mala Todarwal	Relative of director	0.05	0.06
21. Trustee fee			
Axis Trustee Services Limited (ATSL)	Trustee	3.32	3.01
22. Legal and professional services taken			
Cyril Amarchand Mangaldas	Firm in which director of sponsor (SPGVL) is partner	-	10.88
23. Investment Management Fees			
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)	Investment manager of IndiGrid	6.53	2.14
24. Consideration for equity shares of NER on account of events mentioned in SPA			
Sterlite Grid 4 Limited	Entity with significant influence	10.58	-

* Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL') wef 15 November 2020.
# Sterlite Power Transmission Limited had subscribed to rights issue of the Trust and allotted 0.41 million units. Subsequently, SPTL has disinvested 0.25 million units on 09 June 2021 and 0.16 million units on 10 June 2021. Further SPTL has disinvested remaining 2.04 million units on 07 September 2021.

(C) The outstanding balances of related parties are as follows:- **(Rs in Million)**

Particulars	31 March 2022	31 March 2021
Unsecured loan receivable from subsidiaries	1,32,476.19	1,11,361.96
Interest receivable from subsidiaries	3,190.79	518.30
Non-Convertible Debentures of subsidiary (including accrued interest on EIR) (excluding provision for impairment)	6,915.54	6,448.33
Compulsorily-convertible debentures of subsidiary	1,156.85	-
Investment in equity shares of subsidiary (excluding provision for impairment)	43,507.28	38,133.72
Optionally convertible redeemable preference shares (excluding provision for impairment)	1,001.96	1,001.96
Payable towards project acquired	1,108.97	1,704.94
Deposits given	36.00	-
Trade payable	0.07	-

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2022

Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.4(b)(iv) of Section A of Annexure A to SEBI Circular dated 20 October 2016 are as follows:

For the year ended 31 March 2022:
-No acquisition from related party for the year ended 31 March 2022.

For the year ended 31 March 2021:
(A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):

(Rs in million)

Particulars	**NER**	**GPTL**
Enterprise value	51,175	11,638
Method of valuation	Discounted Cash Flow	
Discounting rate (WACC):	7.40%	7.96%

(B) Material conditions or obligations in relation to the transactions:

Acquisition of Gurgaon Palwal Transmission Limited (GPTL):
Pursuant to the share purchase agreements dated August 28, 2020 ("SPA") executed among Sterlite Power Grid Ventures Limited*, Sterlite Grid 4 Limited, Axis Trustee Services Limited, Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) and Gurgaon Palwal Transmission Limited ('GPTL') for acquisition of equity stake in GPTL, Indigrid has acquired 49% of paid up equity capital of GPTL with effect from August 28, 2020.

Under the Agreements, the Trust has the following rights:
a. Right to nominate the majority of the directors on the Board of Directors of GPTL.
b. The Selling Shareholders are required to vote according in AGM/EGM or any other meeting of shareholders of GPTL in a manner favourable for the interests of IndiaGrid Trust.
c. Irrevocable and unconditional right to acquire the remaining 51% of the equity stake of GPTL at a later date (on expiry of the respective mandatory shareholding period).
d. Pledge on the remaining 51% equity stake in GPTL, of which 2% is pledged to lenders of GPTL.
e. Non-disposal undertaking from the Selling Shareholders for the remaining 51% equity stake in GPTL.

The acquisition of equity shares of GPTL was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of NER II Transmission Limited (NER):
Pursuant to the share purchase agreements dated 05 March 2021 ("SPA") executed among Sterlite Power Transmission Limited, Sterlite Grid 4 Limited, Axis Trustee Services Limited, Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) and NER II Transmission Limited ('NER') for acquisition of equity stake in NER, Indigrid has acquired 49% of paid up equity capital of NER with effect from 25 March 2021. As of 31 March 2021, the Trust has paid additional consideration equivalent to 25% of the total consideration which would be adjusted towards payable for acquisition of 25% of equity stake.

Under the Agreements, the Trust has the following rights:
a. Right to nominate the majority of the directors on the Board of Directors of NER.
b. The Selling Shareholders are required to vote according in AGM/EGM or any other meeting of shareholders of NER in a manner favourable for the interests of IndiaGrid Trust.
c. Irrevocable and unconditional right to acquire the remaining 51% of the equity stake of NER at a later date (on expiry of the respective mandatory shareholding period).
d. Pledge on the remaining 51% equity stake in NER.
e. Non-disposal undertaking from the Selling Shareholders for the remaining 51% equity stake in NER.

The acquisition of equity shares of NER was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Note 28: Capital and other Commitments

(a) The Trust has entered into a Framework agreement on 30 April 2019 with Sterlite Grid Ventures Limited ('SPGVL')* for acquisition of Khargone Transmission Limited ('KTL').

* Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL') w.e.f 15 November 2020

Note 29: Contingent liability
The Trust has no contingent liability to be reported.

Note 30: Segment reporting

The Trust's activities comprise of owning and investing in transmission and solar SPVs to generate cash flows for distribution to unitholders. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of Ind AS -108 have not separately been given.

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Note 31: Financial risk management objectives and policies

The Trust's principal financial liabilities comprise of borrowings and other financial liabilities. The main purpose of these financial liabilities is to finance the Trust's operations. The Trust's principal financial assets include investments, loans, cash and bank balances and other financial assets that derive directly from its operations.

The Trust may be exposed to market risk, credit risk and liquidity risk. The Investment Manager oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Trust's policy that no trading in derivatives for speculative purposes may be undertaken. The management reviews and agrees policies for managing each of these risks, which are summarised below.

The Risk Management policies of the Trust are established to identify and analyse the risks faced by the Trust, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Trust's activities.

Management has overall responsibility for the establishment and oversight of the Trust's risk management framework.

(A) Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings and investments.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Trust's borrowings are at fixed rate, hence the Trust is not exposed to Interest rate risk.

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Trust did not have any exposure in foreign currency as at 31 March 2022 and 31 March 2021.

Equity price risk
The Trust's investments in equity shares of subsidiaries are susceptible to market price risk arising from uncertainties about future values of those investments. Reports on the equity portfolio are submitted to the senior management on a regular basis. The Board of Directors of the Investment Manager reviews and approves all equity investment decisions.
At the reporting date, the exposure to equity investments in subsidiary at carrying value was Rs. 42,734.91 million (31 March 2021: Rs. 37,193.07 million). Sensitivity analyses of significant unobservable inputs used in the fair value measurement are disclosed in Note 26A.

(B) Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Trust is exposed to credit risk from its investing activities including loans to subsidiaries, deposits with banks and other financial instruments. As at 31 March 2022 and 31 March 2021, the credit risk is considered low since substantial transactions of the Trust are with its subsidiaries.

(C) Liquidity risk
Liquidity risk is the risk that the Trust may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Trust's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Trust requires funds both for short term operational needs as well as for long term investment programs mainly in transmission projects. The Trust closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents and liquid investments will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The other financial liabilities are with short term durations. The table below summarises the maturity profile of the Trust's financial liabilities based on contractual undiscounted payments:

Particulars	Payable on demand	Less than 3 months	3 months to 12 months	1 to 5 years	More than 5 years	Total
31 March 2022						
Borrowings	-	14,292.58	2,925.95	39,209.31	68,274.10	1,24,701.94
Trade payables	-	55.87	-	-	-	55.87
Other financial liabilities	-	999.48	1,483.89	-	-	2,483.37
Total	**-**	**15,347.93**	**4,409.84**	**39,209.31**	**68,274.10**	**1,27,241.18**

Particulars	Payable on demand	Less than 3 months	3 months to 12 months	1 to 5 years	More than 5 years	Total
31 March 2021						
Borrowings	-	-	1,492.38	4,844.55	99,172.72	1,05,509.65
Trade payables	-	-	-	-	-	-
Other financial liabilities	-	944.01	1,761.66	-	-	2,705.67
Total	**-**	**944.01**	**3,254.04**	**4,844.55**	**99,172.72**	**1,08,215.32**

Note 32: Capital management
For the purpose of the Trust's capital management, capital includes issued unit capital and all other reserves attributable to the unit holders of the Trust. The primary objective of the Trust's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unit holder value.

The Trust manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Trust may adjust the distribution to unitholders (subject to the provisions of InvIT regulations which require distribution of at least 90% of the net distributable cash flows of the Trust to unit holders), return capital to unitholders or issue new units. The Trust monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Trust's policy is to keep the gearing ratio optimum. The Trust includes within net debt, interest bearing loans and borrowings and other payables less cash and cash equivalents, other bank balances and short term investments.

Particulars	31 March 2022 (Rs. in million)	31 March 2021 (Rs. in million)
Borrowings*	1,24,701.95	1,05,509.65
Less: Cash and cash equivalents, other bank balances and short term investments	(7,846.97)	(14,194.58)
Net debt (A)	**1,16,854.98**	**91,315.07**
Unit capital	65,903.15	53,145.69
Other equity	2,293.62	1,951.03
Total capital (B)	**68,196.77**	**55,096.72**
Capital and net debt ((C) = (A) + (B))	**1,85,051.75**	**1,46,411.79**
Gearing ratio (A)/(C)	**63%**	**62%**

Financial Covenants
In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

Note 33: Subsequent event

On 20 May 2022, the Board of directors of the Investment Manager approved a distribution of Rs. 3.1875 per unit for the period 1 January 2022 to 31 March 2022 to be paid on or before 15 days from the date of declaration.

Note 34: Impact of COVID-19

The ongoing spread of COVID-19 has impacted business in various countries including India and there have been disruptions to regular business operations due to COVID response measures undertaken in certain geographies. The management has assessed impact on business and financial risks on account of COVID-19 on the financial statements of the Trust. Considering that the subsidiaries of the Trust are engaged in the business of transmission of electricity which is considered as an "Essential Service", the management believes that the impact of COVID-19 is not significant. The management does not see any risks in the Trust's ability to continue as a going concern and meeting its liabilities as and when they fall due.

Further, the management will continue to monitor and assess impact of economic conditions arising due to COVID-19. The impact of COVID-19 may differ from that expected at the date of approval of the financial statements.

Note 35: Other information

(i) The Trust does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Trust does not have any transactions with Companies struck off.
(iii) The Trust have not traded or invested in Cryptocurrency or Virtual Currency during the financial year.
(iv) The Trust does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)
(as Investment Manager of India Grid Trust)

per Huzefa Ginwala	**Harsh Shah**	**Swapnil Patil**	**Jyoti Kumar Agarwal**
Partner	CEO & Whole Time Director	Company Secretary	Chief Financial Officer
Membership Number : 111757	DIN: 02496122	Membership Number : 24861	
Place : Pune	Place : Mumbai	Place : Mumbai	Place : Mumbai
Date : 20 May 2022	Date : 20 May 2022	Date : 20 May 2022	Date : 20 May 2022

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of India Grid Trust

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of India Grid Trust (the "InvIT"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Changes in Unit Holders' Equity and the Statement of Cash Flow for the year then ended, the Statement of Net Assets at fair value as at March 31, 2021, the Statement of Total Returns at fair value, the Statement of Net Distributable Cash Flows ('NDCFs') of the InvIT for the year then ended, and a summary of significant accounting policies and other explanatory notes("the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended including any guidelines and circulars issued thereunder (the "InvIT Regulations") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent not inconsistent with InvIT regulations, of the state of affairs of the InvIT as at March 31, 2021, its profit including other comprehensive income, its cash movements and its movement of the unit holders' funds for the year ended March 31, 2021, its net assets at fair value as at March 31, 2021, its total returns at fair value and the net distributable cash flows of the InvIT for the year ended March 31, 2021.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the InvIT in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the InvIT Regulations and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Impairment of investments in subsidiaries and loans given to subsidiaries</u>
(as described in notes 4,5,6 and 22 of the standalone financial statements)</td></tr>
<tr><td>The InvIT has significant investments in subsidiaries and has granted loans to its subsidiaries amounting to Rs.155,522 million as at March 31, 2021. The value of investments and loans in aggregate comprise 95% of total assets in the Balance Sheet.

The subsidiaries are in the business of owning and maintaining transmission assets and have entered into Transmission Services Agreement ("TSA") with Long Term Transmission Customers ("LTTC").

At each reporting period end, management assesses the existence of impairment indicators of investments in subsidiaries and loans given to subsidiaries. In case of existence of impairment indicators, the investment and loan balances are subjected to impairment test, where the fair value of the subsidiary is compared with the value of investments and loans given to such subsidiaries.

The processes and methodologies for assessing and determining the fair value of the subsidiary is based on complex assumptions, that by their nature imply the use of the management's judgment, in particular with reference to identification of forecast of future cash flows relating to the period covered by the respective</td><td>Our audit procedures included, among others, the following:

• We obtained an understanding of the InvIT's process on assessment of impairment of investments in subsidiaries and loans to subsidiaries and the assumptions used by the management, including design and implementation of controls, validation of management review controls. We have tested the operating effectiveness of these controls.

• We obtained and read the valuation report of the InvIT's independent valuation expert, and assessed the expert's competence, capability and objectivity.

• We evaluated the independent valuation expert's methodology, assumptions and estimates used in the calculations.

• We tested on sample basis that the tariff revenues considered in the respective valuation models are in agreement with TSAs / tariff orders.

• We tested completeness, arithmetical accuracy and validity of the data used in the calculations.

• In performing the above procedures, we involved valuation specialists to perform an independent review of methodology and key assumptions used in the valuation.

• We read and assessed the disclosures included in the notes to the standalone financial statements.</td></tr>
</table>

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>subsidiary's transmission license, debt equity ratio, cost of debt, cost of equity, residual value, etc.

Considering the judgment involved in determination of fair values due to inherent uncertainty and complexity of the assumptions used in determination of fair values, this is considered as a key audit matter.</td><td></td></tr>
<tr><td colspan="2"><u>Classification of unit holders' funds as equity</u>
(as described in Note 22 of the standalone financial statements)</td></tr>
<tr><td>The InvIT is required to distribute to Unitholders not less than ninety percent of its net distributable cash flows for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instrument which contains both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars No. CIR/IMD/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated November 29, 2016 ("SEBI Circulars") issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated October 20, 2016 dealing with the minimum disclosures for key financial statements.

Considering the judgment required for classification of unit holders' funds as equity and liability, this is considered as a key audit matter.</td><td>Our audit procedures included, among others:

• We obtained and read the requirements for classification of financial liability and equity under Ind AS 32 and evaluated the provisions of SEBI Circulars for classification/presentation of unit holders funds in the financial statements of an Infrastructure Investment Trust.

• We read and assessed the disclosures included in the standalone financial statements for compliance with the relevant requirements of InvIT regulations.</td></tr>
</table>

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2"><u>Disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value as per InvIT regulations</u>
(as described in Note 22 of the standalone financial statements)</td></tr>
<tr><td>The InvIT is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value pursuant to SEBI circulars issued under the InvIT regulations which requires fair valuation of the assets. Such fair valuation has been carried out by the independent valuer appointed by the InvIT.

For the purpose of the above, fair value is determined by forecasting and discounting future cash flows.

The processes and methodologies for assessing and determining the fair value is based on complex assumptions, that by their nature imply the use of the management's judgment, in particular with reference to identification of forecast of future cash flows relating to the period covered by the respective subsidiary's transmission license, debt equity ratio, cost of debt, cost of equity, residual value, etc.

Considering the judgment involved in determination of fair values due to inherent uncertainty and complexity of the assumptions used in determination of fair values, this is considered as a key audit matter.</td><td>Our audit procedures included, among others, the following:

• We read the requirements of InvIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.

• We discussed with the management and obtained an understating of the InvIT's policy on the assessment of fair value and the assumptions used by the management, including design and implementation of controls, validation of management review controls. We have tested the operating effectiveness of these controls.

• We obtained understating of the InvIT's process for preparation statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value as per InvIT regulations and the assumption used by the management, including design and implementation of controls, validation of management review controls. We have tested the operating effectiveness of these controls.

• We obtained and read the valuation report of the InvIT's independent valuation expert, and assessed the expert's competence, capability and objectivity.

• We evaluated independent valuation expert's methodology, assumptions and estimates used in the calculations.

• We tested on sample basis that the tariff revenues considered in the respective valuation models are in agreement with TSAs / tariff orders.

• We tested completeness, arithmetical accuracy and validity of the data used in the calculations.</td></tr>
</table>

Key audit matters	How our audit addressed the key audit matter
	• In performing the above procedures, we used valuation specialists to perform an independent review of methodology and key assumptions used in the valuation. • We read and assessed the disclosures included in the notes to the standalone financial statements.

Other Information

The Management of Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited) (the "Investment Manager") is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Standalone Financial Statements

The Management of the Investment Manager ('the Management') is responsible for the preparation of these standalone financial statements that give a true and fair view of the financial position as at March 31, 2021, financial performance including other comprehensive income, cash flows and the movement of the unit holders' funds for the year ended March 31, 2021, the net assets at fair value as at March 31, 2021, the total returns at fair value of the InvIT and the net distributable cash flows of the InvIT for the year ending March 31, 2021 in accordance with the requirements of the InvIT regulations; Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India, to the extent not inconsistent with InvIT regulations. This responsibility also includes the design, implementation and maintenance of adequate controls for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management is responsible for assessing the ability of the InvIT to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the InvIT or to cease operations, or has no realistic alternative but to do so.

The Management is also responsible for overseeing the InvIT's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the InvIT's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the InvIT's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the InvIT to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) The Balance Sheet and the Statement of Profit and Loss are in agreement with the books of account;

(c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, to the extent not inconsistent with InvIT Regulations.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Huzefa Ginwala
Partner
Membership Number: 111757
UDIN: 21111757AAAACT2622
Place of Signature: Pune
Date: 27 May 2021

INDIA GRID TRUST
BALANCE SHEET AS AT 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

	Notes	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
ASSETS			
Non-current assets			
Capital work-in-progress	3	1.89	-
Investment in subsidiaries	4	37,193.07	15,169.05
Financial Assets			
i. Investments	5	-	3,314.99
ii. Loans	6	1,11,361.96	70,713.80
Non-current tax assets	8	19.71	-
		1,48,576.63	**89,197.84**
Current assets			
Financial assets			
i. Investments	5	6,448.33	-
ii. Cash and cash equivalents	9	6,905.20	2,128.83
iii. Bank Balances other than (ii) above	10	841.05	798.90
iv. Loans	6	-	560.61
v. Other financial assets	7	550.79	331.49
		14,745.37	**3,819.83**
Total assets		**1,63,322.00**	**93,017.67**
EQUITY AND LIABILITIES			
Equity			
Unit capital	11	53,145.69	53,145.69
Other equity	12		
Retained earnings/ (Accumulated deficit)		1,951.03	(1,713.72)
Total unit holders' equity		**55,096.72**	**51,431.97**
Non-current liabilities			
Financial liabilities			
Borrowings	13	1,04,017.27	39,482.21
		1,04,017.27	**39,482.21**
Current liabilities			
Financial liabilities			
Other financial liabilities	14	4,198.05	2,090.33
Other current liabilities	15	9.96	9.06
Current tax liability	16	-	4.10
		4,208.01	**2,103.49**
Total liabilities		**1,08,225.28**	**41,585.70**
Total equity and liabilities		**1,63,322.00**	**93,017.67**

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)
(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 27 May 2021

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2021

Swapnil Patil
Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 27 May 2021

Jyoti Kumar Agarwal
Chief Financial Officer
Place : Mumbai
Date : 27 May 2021

INDIA GRID TRUST
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

	Notes	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
INCOME			
Revenue from operations	18	12,488.31	10,554.10
Income from investment in mutual funds		-	97.44
Interest income on investment in fixed deposits		78.30	80.22
Total income (I)		**12,566.61**	**10,731.76**
EXPENSES			
Legal and professional fees		95.34	97.90
Annual listing fee		6.18	6.30
Rating fee		46.52	34.74
Valuation expenses		3.05	4.89
Trustee fee		3.01	3.46
Audit Fees			
- Statutory audit fees		4.01	2.36
- Tax audit fees		-	0.24
- Other services (including certification)		7.32	-
Other expenses	19	827.94	8.50
Finance costs	20	4,346.97	2,980.99
(Reversal of impairment)/ Impairment of investment in subsidiaries		(3,497.47)	2,627.22
Total expenses (II)		**1,842.87**	**5,766.60**
Profit before tax (I-II)		**10,723.74**	**4,965.16**
Current tax	17	-	56.96
Income tax for earlier years		(1.18)	-
Tax expense		**(1.18)**	**56.96**
Profit for the year		**10,724.92**	**4,908.20**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income for the year		**-**	**-**
Total comprehensive income for the year		**10,724.92**	**4,908.20**
Earnings per unit			
Basic and diluted (in Rs.)	21	18.38	8.86
(Computed on the basis of profit for the year)			
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)
(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 27 May 2021

Harsh Shah
CEO & Whole Time Director
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Place : Mumbai
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Swapnil Patil
Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 27 May 2021

Jyoti Kumar Agarwal
Chief Financial Officer
Place : Mumbai
Date : 27 May 2021

INDIA GRID TRUST
STATEMENT OF STATEMENT OF CHANGES IN UNIT HOLDERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

A. Unit capital

	Nos. in million	Rs. in million
Balance as at 01 April 2019	283.80	28,380.00
Units issued during the year (Refer note 11)	299.69	25,140.48
Issue expenses	-	(374.79)
Balance as at 31 March 2020	**583.49**	**53,145.69**
Changes in unit capital during the year	-	-
Balance as at 31 March 2021	**583.49**	**53,145.69**

B. Other equity

(Rs. in million)

	Retained earnings/ (Accumulated deficit)	Total other equity
As at 01 April 2019	**(519.17)**	**(519.17)**
Profit for the year	4,908.20	4,908.20
Other comprehensive income	-	-
Less: Distribution during the year (refer note below)	(6,102.75)	(6,102.75)
As at 31 March 2020	**(1,713.72)**	**(1,713.72)**
Profit for the year	10,724.92	10,724.92
Other comprehensive income	-	-
Less: Distribution during the year (refer note below)	(7,060.17)	(7,060.17)
As at 31 March 2021	**1,951.03**	**1,951.03**

Note:
The distribution relates to the distributions made during the financial year along with the distribution related to the last quarter of FY 2019-20 and does not include the distribution relating to the last quarter of FY 2020-21 which will be paid after 31 March 2021.

The distributions made by IndiGrid to its unitholders are based on the Net Distributable Cash Flows (NDCF) of IndiGrid under the InvIT Regulations and hence part of the same includes repayment of capital as well.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)
(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 27 May 2021

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2021

Swapnil Patil
Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 27 May 2021

Jyoti Kumar Agarwal
Chief Financial Officer
Place : Mumbai
Date : 27 May 2021

INDIA GRID TRUST
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
A. Cash flow from operating activities		
Net profit as per statement of profit and loss	**10,724.92**	**4,908.20**
Adjustment for taxation	(1.18)	56.96
Profit before tax	**10,723.74**	**4,965.16**
Non-cash adjustment to reconcile profit before tax to net cash flows		
Interest income on non convertible debentures	(624.43)	(603.59)
(Reversal)/ Impairment of investment in subsidiaries	(3,497.47)	2,627.22
Finance cost	4,346.97	2,980.99
Interest income on loans given to subsidiaries	(11,863.88)	(9,950.51)
Income from investment in mutual funds	-	(97.44)
Interest income on investment in fixed deposits	(78.30)	(80.22)
Operating (loss) before working capital changes	**(993.37)**	**(158.39)**
Movements in working capital :		
- other current financial liabilities	23.11	80.20
- other current liabilities	0.90	6.62
- other current financial asset	(6.09)	13.39
Changes in working capital	**17.92**	**100.21**
Cash (used in) operations	**(975.45)**	**(58.18)**
Direct taxes paid (net of refunds)	(22.63)	(52.93)
Net cash flow (used in) operating activities (A)	**(998.08)**	**(111.11)**
B. Cash flow (used in) investing activities		
Purchase of equity shares of subsidiaries	(21,308.09)	(13,280.25)
Conversion of loan given to subsidiaries to equity	(1,121.15)	-
Loans given to subsidiaries	(67,000.14)	(40,375.65)
Loans repaid by subsidiaries	26,912.59	6,752.28
Interest income on loans given to subsidiaries	11,627.22	10,114.90
Interest income on investment in fixed deposits	101.75	33.01
Income from investment in mutual funds	-	97.44
Investment in mutual funds	(37,646.87)	(32,913.12)
Proceeds from mutual funds	37,646.87	32,913.12
Investment in fixed deposits (net)	(42.15)	(798.90)
Net cash flow (used in) investing activities (B)	**(50,831.86)**	**(37,457.17)**
C. Cash flow from financing activities		
Proceeds from issue of unit capital	-	25,140.48
Unit issue expense incurred	-	(374.79)
Proceeds of long term borrowings	67,469.18	22,748.58
Payment of upfront fees of long term borrowings	(266.53)	(259.93)
Finance costs	(3,538.41)	(2,746.30)
Payment of distributions to unitholders	(7,057.93)	(6,101.16)
Net cash flow generated from financing activities (C)	**56,606.31**	**38,406.88**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**4,776.37**	**838.60**
Cash and cash equivalents as at beginning of year	2,128.83	1,290.23
Components of cash and cash equivalents as at year end	**6,905.20**	**2,128.83**

INDIA GRID TRUST
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

Components of cash and cash equivalents:

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Balances with banks:		
- On current accounts ^	4,279.55	2,079.93
- Deposit with original maturity of less than 3 months #	2,625.65	48.90
Total cash and cash equivalents (refer note 9)	**6,905.20**	**2,128.83**

^ Out of total amount, Rs. 9.35 million (31 March 2020: Rs. 7.34 million) pertains to unclaimed distribution to unitholders.

Includes amount of Rs. 2,044.20 million (31 March 2020: Nil) is kept in Debt Service Reserve Account ('DSRA') as per borrowing agreements with lenders.

Reconciliation between opening and closing balances for liabilities arising from financing activities (including current maturities) :-

Particulars	Long term borrowings
01 April 2019	**16,847.61**
Cash flow	
- Interest	(2,746.30)
- Proceeds/(repayments)	22,488.65
Accrual	2,980.99
31 March 2020	**39,570.95**
Cash flow	
- Interest	(3,538.41)
- Proceeds/(repayments)	67,202.65
Accrual	3,098.11
31 March 2021	**1,06,333.30**

Summary of significant accounting policies 2.2

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)
(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 27 May 2021

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2021

Swapnil Patil
Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 27 May 2021

Jyoti Kumar Agarwal
Chief Financial Officer
Place : Mumbai
Date : 27 May 2021

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2021
DISCLOSURES PURSUANT TO SEBI CIRCULARS
(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016 issued under the InvIT Regulations)

A. STATEMENT OF NET ASSETS AT FAIR VALUE AS AT

(Rs. in million)

Particulars	31 March 2021		31 March 2020	
	Book value	Fair value	Book value	Fair value
A. Assets	1,63,322.00	1,93,096.80	93,017.67	1,01,624.29
B. Liabilities (at book value)	1,08,225.28	1,08,225.28	41,585.70	41,585.70
C. Net Assets (A-B)	55,096.72	84,871.52	51,431.97	60,038.59
D. Number of units	583.49	583.49	583.49	583.49
E. NAV (C/D)	94.43	145.45	88.14	102.90

Total assets after provision for impairment on investment in subsidiaries determined based on fair valuation. For the purpose of NAV Computation we have considered 100% of the fair valued assets and liabilities of PrKTCL and NER II and the effect of non controlling interest of 26% of the fair valued assets and liabilities is not considered to arrive at the computed NAV.

Project wise breakup of fair value of assets as at **(Rs. in million)**

Project	31 March 2021	31 March 2020
Indigrid Limited	45,705.20	40,065.03
Indigrid 1 Limited^	49,276.99	44,604.81
Indigrid 2 Limited^	9,812.36	8,967.44
Patran Transmission Company Limited	2,622.19	2,377.46
East North Interconnection Company Limited*	12,821.20	2,067.45
Gurgaon-Palwal Transmission Limited#	5,533.13	-
Jhajjar KT Transco Private Limited#	3,172.87	-
Parbati Koldam Transmission Company Limited#	6,239.31	-
NER II Transmission Limited#	53,081.39	-
Subtotal	**1,88,264.63**	**98,082.20**
Assets (in IndiGrid)	4,832.17	3,542.09
Total assets	**1,93,096.80**	**1,01,624.28**

^ The Trust had acquired Indigrid 1 Limited (IG1L) (formerly known as "Sterlite Grid 2 Limited") which is the holding company of NRSS XXIX Transmission Limited ('NTL') and Indigrid 2 Limited (IG2L) (formerly known as "Sterlite Grid 3 Limited") which is the holding company of Odisha Generation Phase-II Transmission Limited ('OGPTL') on 04 June 2019 and 28 June 2019 respectively.

* The Trust acquired East-North Interconnection Company Limited ('ENICL') with effect from 24 March 2020.

In the current year, the Trust has acquired Gurgaon-Palwal Transmission Limited with effect from 28 August 2020, Jhajjar KT Transco Private Limited with effect from 28 September 2020, Parbati Koldam Transmission Company Limited with effect from 08 January 2021 and NER II Transmission Limited with effect from 25 March 2021.

B. STATEMENT OF TOTAL RETURNS AT FAIR VALUE

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Total comprehensive income (as per the statement of profit and loss)	10,724.92	4,908.20
Add/ (Less): other changes in fair value not recognized in total comprehensive income	21,286.03	8,488.77
Total Return	**32,010.95**	**13,396.97**

Notes:
1. Fair value of assets as at 31 March 2021 and as at 31 March 2020 and other changes in fair value for the year then ended as disclosed in the above tables are based on fair valuation report issued by the independent valuer appointed under the InvIT regulations.

2. Sensitivity analysis with respect to significant unobservable inputs used in the fair value measurement has been disclosed in Note 23A.

ADDITIONAL DISCLOSURES AS REQUIRED BY PARAGRAPH 6 OF ANNEXURE A TO THE SEBI CIRCULAR NO. CIR/IMD/DF/127/2016

Statement of Net Distributable Cash Flows (NDCFs) of India Grid Trust

Description	Year ended 31 March 2021 (Audited)	Year ended 31 March 2020 (Audited)
Cash flows received from the Portfolio Assets in the form of interest	**11,370.40**	**10,114.90**
Cash flows received from the Portfolio Assets in the form of dividend	413.89	-
Any other income accruing at IndiGrid level and not captured above, including but not limited to interest/return on surplus cash invested by IndiGrid	78.30	177.66
Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by IndiGrid	26,912.59	6,752.28
Proceeds from the Portfolio Assets for a capital reduction by way of a buy back or any other means as permitted, subject to applicable law	-	-
Proceeds from sale of assets of the Portfolio Asset not distributed pursuant to an earlier plan to re-invest, or if such proceeds are not intended to be invested subsequently	-	-
Total cash inflow at the IndiGrid level (A)	**38,775.18**	**17,044.84**
Less: Any payment of fees, interest and expense incurred at IndiGrid level, including but not limited to the fees of the Investment Manager and Trustee (refer note i)	(5,206.08)	(2,941.27)
Less: Costs/retention associated with sale of assets of the Portfolio Assets:	-	-
-related debts settled or due to be settled from sale proceeds of Portfolio Assets;	-	-
-transaction costs paid on sale of the assets of the Portfolio Assets; and	-	-
-capital gains taxes on sale of assets/ shares in Portfolio Assets/ other investments.	-	-
Less: Proceeds reinvested or planned to be reinvested in accordance with Regulation 18(7)(a) of the InvIT Regulations	-	-
Less: Repayment of external debt at the IndiGrid level and at the level of any of the underlying portfolio assets/special purpose vehicles (excluding refinancing)	-	-
Less: Income tax (if applicable) at the standalone IndiGrid level	1.18	(56.96)
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	(25,487.90)	(6,843.29)
Less: Repair work in relation to the projects undertaken by any of the Portfolio Assets	-	-
Total cash outflows / retention at IndiGrid level (B)	**(30,692.80)**	**(9,841.53)**
Net Distributable Cash Flows (C) = (A+B)	**8,082.38**	**7,203.32**

Notes :

i. Does not include interest accrued but not due for year ended 31 March 2021: Rs. 348.47 million and year ended 31 March 2020: Rs. 150.51 million related to market linked non convertible debentures ('MLDs') which is payable on maturity of these MLDs from FY 2022 to FY 2024.

ii. Does not include Earn - out expenses for the year ended 31 March 2021 of Rs. 117.27 million and year ended March 31, 2020: Nil.

1. Trust information

India Grid Trust ("the Trust" or "IndiGrid") is an irrevocable trust settled by Sterlite Power Grid Ventures Limited (now merged with Sterlite Power Transmission Limited) (the "Sponsor") on October 21, 2016 pursuant to the Trust Deed under the provisions of the Indian Trusts Act, 1882 and registered with Securities Exchange Board of India ("SEBI") under the SEBI (Infrastructure Investment Trust) Regulations, 2014 as an Infrastructure Investment Trust on November 28, 2016 having registration number IN/InvIT/16-17/0005. The Trustee of IndiGrid is Axis Trustee Services Limited (the "Trustee"). The Investment manager for IndiGrid is Indigrid Investment Managers Limited (previously known as Sterlite Investment Managers Limited) (the "Investment Manager" or the "Management").

The objectives of IndiGrid are to undertake activities as an infrastructure investment trust in accordance with the provisions of the InvIT Regulations and the Trust Deed. The principal activity of IndiGrid is to own and invest in power transmission assets in India with the objective of producing stable and sustainable distributions to unitholders.

As at March 31, 2021, IndiGrid has following project entities ("Special Purpose Vehicles" or "SPVs") which are transmission infrastructure projects developed on Build, Own, Operate and Maintain ('BOOM') basis:

1. Bhopal Dhule Transmission Company Limited ('BDTCL')
2. Jabalpur Transmission Company Limited ('JTCL')
3. RAPP Transmission Company Limited ('RTCL')
4. Purulia & Kharagpur Transmission Company Limited ('PKTCL')
5. Maheshwaram Transmission Limited ('MTL')
6. Patran Transmission Company Limited ('PTCL')
7. NRSS XXIX Transmission Limited ('NTL')
8. Odisha Generation Phase-II Transmission Limited ('OGPTL')
9. East-North Interconnection Company Limited ('ENICL')
10. Gurgaon-Palwal Transmission Limited ('GPTL')
11. Parbati Koldam Transmission Company Limited ('PrKTCL')
12. NER II Transmission Limited ('NER')

As at March 31, 2021, IndiGrid has following project entities which are transmission infrastructure projects developed on Build, Operate and Transfer ('BOT') basis:

1. Jhajjar KT Transco Private Limited ('JKTPL')

These SPVs have executed Transmission Services Agreements ("TSAs") with Long term transmission customers under which the SPVs have to maintain the transmission infrastructure for 25 or 35 years post commissioning.

The address of the registered office of the Investment Manager is Unit No 101,First Floor, Windsor Village, KoleKalyan Off CST Road, Vidyanagari Marg, Santacruz(East) Mumbai, Maharashtra- 400098, India. The financial statements were authorised for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on 27 May 2021.

2. Significant Accounting Policies

2.1 Basis of preparation

These financial statements are the separate financial statements of the Trust and comprise of the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Unit Holders' Equity for the year then ended and the Statement of Net Assets at fair value as at March 31, 2021 and the Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCFs') for the year then ended and a summary of significant accounting policies and other explanatory notes in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") read with SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations").

The financial statements have been prepared on a historical cost basis, except for certain assets which have been measured at fair value.

The financial statements are presented in Indian Rupees Millions, except when otherwise indicated.

2.2 Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Trust in preparing its financial statements:

a) Current versus non-current classification

The Trust presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Trust classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Trust is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Trust has identified twelve months as its operating cycle.

b) Foreign currencies

The Trust's financial statements are presented in INR, which is its functional currency. The Trust does not have any foreign operation.

Transactions and balances
Transactions in foreign currencies are initially recorded by the Trust at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

c) Fair value measurement

The Trust measures financial instruments such as mutual funds at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Trust.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Trust uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Trust determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In estimating the fair value of investments in subsidiaries, the Trust engages independent qualified external valuers to perform the valuation. The management works closely with the external valuers to establish the appropriate valuation techniques and inputs to the model. The management in conjunction with the external valuers also compares the change in fair value with relevant external sources to determine whether the change is reasonable. The management reports the valuation report and findings to the Board of the Investment Manager half yearly to explain the cause of fluctuations in the fair value of the transmission projects.

At each reporting date, the management analyses the movement in the values of assets and liabilities which are required to be remeasured or reassessed as per the Trust's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Trust has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy (Note 19B)
- Disclosures for valuation methods, significant estimates and assumptions (Note 18 and 19A)
- Financial instruments (including those carried at amortised cost) (Note 4,5,6,7,8)

d) Revenue Recognition

The specific recognition criteria described below must be met before revenue is recognised.

Interest income
For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Trust estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends
Income from dividend on investments is accrued in the year in which it is declared, whereby the Trust's right to receive is established.

e) Taxation

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/value added/goods and service taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/value added/goods and service taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

f) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Trust incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

g) Leases

The Trust assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Trust as lessee

The Trust applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Trust recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Trust recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease Liabilities

At the commencement date of the lease, the Trust recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the payments of penalties for terminating the lease, if the lease term reflects the Trust exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Trust uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Trust applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

h) Impairment of non-financial assets

The Trust assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Trust estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Trust bases its impairment calculations on detailed budget and forecast calculations. These budgets are prepared for the entire project life.

Impairment losses of continuing operations are recognised in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Trust estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

i) Provisions

Provisions are recognised when the Trust has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Trust expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

j) Investments in subsidiaries

The Trust accounts for its investments in subsidiaries at cost less accumulated impairment losses (if any) in its separate financial statements. Investments accounted for at cost which are held for sale are accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Trust commits to purchase or sell the asset.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Trust's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Trust has applied the practical expedient, the Trust initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Trust has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (d) Revenue from contracts with customers.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

i. Debt instruments at amortised cost
ii. Debt instruments at fair value through other comprehensive income (FVTOCI)
iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost
A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most relevant to the Trust. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss. This category generally applies to interest receivable and loans given to subsidiaries (Refer Note 5 and 6)

Debt instrument at FVTOCI
A 'debt instrument' is classified as FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, interest income, impairment losses and reversals and foreign exchange gain or loss are recognised in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Trust does not have financial assets which are subsequently measured at FVTOCI.

Debt instrument at FVTPL
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Trust may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Trust has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Equity investments
All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Trust may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Trust makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Trust decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Trust may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Trust's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Trust has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Trust has transferred substantially all the risks and rewards of the asset, or (b) the Trust has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Trust has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Trust continues to recognise the transferred asset to the extent of the Trust's continuing involvement. In that case, the Trust also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Trust has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Trust could be required to repay.

Impairment of financial assets
Majority of the financial assets of the Trust which are not reflected at fair value pertain to loans to subsidiaries and other receivables. Considering the nature of business, the Trust does not foresee any credit risk on its loans and other receivables which may cause an impairment. Majority of the other receivable pertain to receivable from subsidiary companies only. Also, the Trust does not have any history of impairment of other receivables.

For the financial assets which are reflected at fair value, no further impairment allowance is necessary as they reflect the fair value of the relevant financial asset itself.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Trust's financial liabilities include borrowings and related costs, trade and other payables and derivative financial instrument.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Trust that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to P&L. However, the Trust may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to borrowings. For more information refer Note 11.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Embedded derivatives
An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative cause some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Trust does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Trust determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Trust's senior management determines change in the business model as a result of external or internal changes which are significant to the Trust's operations. Such changes are evident to external parties. A change in the business model occurs when the Trust either begins or ceases to perform an activity that is significant to its operations. If the Trust reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Trust does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised Classification	Accounting Treatment
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit or loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit or loss at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

l) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Trust's cash management.

m) Cash distribution to unit holders

The Trust recognises a liability to make cash distributions to unit holders when the distribution is authorised, and a legal obligation has been created. As per the InvIT Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

n) Earnings per unit

Basic earnings per unit is calculated by dividing the net profit or loss attributable to unit holders of the Trust (after deducting preference dividends and attributable taxes if any) by the weighted average number of units outstanding during the period. The weighted average number of units outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, split, and reverse split (consolidation of units) that have changed the number of units outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per unit, the net profit or loss for the period attributable to unit holders of the Trust and the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

Changes in accounting policies and disclosures

(i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020. This amendment had no impact on the standalone financial statements of the Trust.

(ii) Amendments to Ind AS 103 Business Combinations

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs.

These amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 1 April 2020 and to asset acquisitions that occur on or after the beginning of that period. This amendment had no impact on the standalone financial statements of the Trust.

(iii) Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the standalone financial statements of, nor is there expected to be any future impact to the Trust.

These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material are not expected to have a significant impact on the Trust's standalone financial statements.

(iv) Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

The amendments to Ind AS 109 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the standalone financial statements of the Trust as it does not have any interest rate hedge relationships.

The amendments to Ind AS 107 prescribe the disclosures which entities are required to make for hedging relationships to which the reliefs as per the amendments in Ind AS 109 are applied. These amendments are applicable for annual periods beginning on or after the 1 April 2020. These amendments are not expected to have a significant impact on the Trust's standalone financial statements.

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2021

Note 3: Capital work-in-progress

Particulars	Amount
As at 01 April 2019	**-**
Additions	-
Disposals	-
As at 31 March 2020	**-**
Additions	1.89
Disposals	-
As at 31 March 2021	**1.89**

Note 4: Investments in subsidiaries

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Equity investments, at cost (unquoted)		
Indigrid Limited ("IGL") (formerly known as "Sterlite Grid 1 Limited")		
[17.67 million (31 March 2020: 17.67 million) equity shares of Rs 10 each fully paid-up]	1,929.22	1,929.22
Less: Provision for impairment (Refer Note 22)	(1,929.22)	(1,929.22)
	-	**-**
Patran Transmission Company Limited ("PTCL") **	735.53	735.53
[50 million (31 March 2020: 50 million) equity shares of Rs 10 each fully paid-up]		
	735.53	**735.53**
Indigrid 1 Limited ("IGL1") (formerly known as "Sterlite Grid 2 Limited") #	14,041.76	12,626.66
[93.35 million equity shares (31 March 2020: 87.30 million) of Rs. 10 each fully paid up]		
	14,041.76	**12,626.66**
Indigrid 2 Limited ("IGL2") (formerly known as "Sterlite Grid 3 Limited") *	518.31	518.31
[26.05 million equity shares (31 March 2020: 26.05 million) of Rs. 10 each fully paid up]		
	518.31	**518.31**
East-North Interconnection Company Limited ("ENICL") @	1,294.72	1,288.55
[1.05 million equity shares (31 March 2020: 0.05 million) of Rs. 10 each fully paid up]		
	1,294.72	**1,288.55**
Gurgaon-Palwal Transmission Limited ("GPTL") ^	906.36	-
[0.69 million equity shares (31 March 2020: Nil) of Rs. 10 each fully paid up]		
	906.36	**-**
Jhajjar KT Transco Private Limited ("JKTPL") ^^		
[22.66 million equity shares (31 March 2020: Nil) of Rs. 10 each fully paid up]	1,404.20	-
	1,404.20	**-**
Parbati Koldam Transmission Company Limited ("PrKTCL") ##		
[201.90 million equity shares (31 March 2020: Nil) of Rs. 10 each fully paid up]	3,212.97	-
	3,212.97	**-**
NER II Transmission Limited ("NER") @@		
[2.32 million equity shares (31 March 2020: Nil) of Rs. 10 each fully paid up]	14,090.65	-
	14,090.65	**-**
Preference shares, at cost (unquoted)		
Indigrid Limited ("IGL") (formerly known as "Sterlite Grid 1 Limited")		
[665.82 million (31 March 2020: 665.82 million) 0.01% Optionally convertible redeemable non cumulative preference shares ("OCRPS") of Rs. 10 each fully paid-up] *	1,001.96	1,001.96
Less: Provision for impairment (Refer Note 22)	(13.39)	(1,001.96)
	988.57	**-**
Total non-current investments	**37,193.07**	**15,169.05**

* The OCRPS are either convertible into equity shares of IGL in the ratio of 1:1 or redeemable solely at the option of IGL within a period of 7 years from the date of issue.

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2021
Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Ownership interest %	
		31 March 2021	31 March 2020
Directly held by the Trust:			
Indigrid Limited ("IGL")	India	100%	100%
Indigrid 1 Limited ("IGL1") #	India	100%	100%
Indigrid 2 Limited ("IGL2") *	India	100%	100%
Patran Transmission Company Limited ("PTCL")**	India	74%	74%
East-North Interconnection Company Limited@	India	100%	49%
Gurgaon-Palwal Transmission Limited ("GPTL")^	India	49%	0%
Jhajjar KT Transco Private Limited ("JKTPL")^^	India	100%	0%
Parbati Koldam Transmission Company Limited ('PrKTCL') ##	India	74%	0%
NER II Transmission Limited ("NER") @@	India	49%	0%
Indirectly held by the Trust (through subsidiaries):			
Bhopal Dhule Transmission Company Limited ("BDTCL")	India	100%	100%
Jabalpur Transmission Company Limited ("JTCL")	India	100%	100%
Purulia & Kharagpur Transmission Company Limited ("PKTCL")	India	100%	100%
RAPP Transmission Company Limited ("RTCL")	India	100%	100%
Maheshwaram Transmission Limited ("MTL")	India	100%	100%
NRSS XXIX Transmission Limited ("NTL")#	India	100%	100%
Odisha Generation Phase-II Transmission Limited ("OGPTL")*	India	100%	100%

The Trust acquired Indigrid 1 Limited (formerly known as "Sterlite Grid 2 Limited"), which is the holding company of NRSS XXIX Transmission Limited ('NTL') from Sterlite Power Grid Ventures Limited ('SPGVL') (merged with "Sterlite Power Transmission Limited" (SPTL)) pursuant to share purchase agreements dated 30 April 2019 on 04 June 2019. 100% equity share capital of SGL2 is acquired by the Trust as per the share purchase agreement dated 30 April 2019.

* The Trust acquired Indigrid 2 Limited (formerly known as "Sterlite Grid 3 Limited") which is the holding company of Odisha Generation Phase-II Transmission Limited ('OGPTL') from Sterlite Power Grid Ventures Limited ('SPGVL') (merged with "Sterlite Power Transmission Limited" (SPTL)) pursuant to share purchase agreements dated 30 April 2019 on 28 June 2019 respectively. 100% equity share capital of Indigrid 2 Limited is acquired by the Trust as per the share purchase agreement dated 30 April 2019.

** Pursuant to Share Purchase agreement/Shareholders' Agreement ('SPA') dated 19 February 2018, the Trust acquired Patran Transmission Company Limited (PTCL) (referred as "the SPV"), from Techno Power Grid Company Limited and Techno Electric and Engineering Company Limited with effect from 30 August 2018. The Trust holds 74% equity stake in the SPV and on the remaining 26%, the Trust has beneficial interest based on the rights available to it under the SPA.

@ The Trust acquired 49% of paid up equity capital of East-North Interconnection Company Limited ('ENICL') with effect from 24 March 2020 from Sterlite Power Grid Ventures Limited ('SPGVL') (merged with "Sterlite Power Transmission Limited" ('SPTL')) and Sterlite Power Transmission Limited ('SPTL') (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 23 March 2020 ("SPA") and acquired remaining 51% equity stake in ENICL on 26 May 2020. As of 31 March 2021, the Trust has paid additional consideration equivalent to 25% of the total consideration as an advance which would be adjusted towards payable for acquisition of 25% of equity stake. Considering the rights available to the Group as per SPA, the Group has concluded that it controls NER.

^The Trust acquired 49% of paid up equity capital of Gurgaon Palwal Transmission Limited ('GPTL') with effect from 28 August 2020 from Sterlite Power Grid Ventures Limited ('SPGVL') (merged with "Sterlite Power Transmission Limited" (SPTL)) and Sterlite Grid 4 Limited ('SGL4'), (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 28 August 2020 ("SPA"). The Trust has finalised purchase consideration for acquisition of entire stake in GPTL and has entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in GPTL from the Selling Shareholders. The Trust has beneficial interest based on the rights available to it under the SPA.

^^ The Trust acquired 74% of paid up equity capital of Jhajjar KT Transco Private Limited ('JKTPL') with effect from 28 September 2020 from Kalpataru Power Transmission Limited, Techno Electric & Engineering Company Limited, (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 29 May 2020 ("SPA") and acquired the remaining 26% equity stake in JKTPL on 03 October 2020.

The Trust acquired 74% of paid up equity capital of Parbati Koldam Transmission Company Limited ('PrKTCL') with effect from 08 January 2021 from Reliance Infrastructure Limited (referred as "the Selling Shareholder") pursuant to Share Purchase Agreement dated 28 November 2020 ("SPA"). The balance 26% share in PrKTCL is held by PowerGrid Corporation of India Limited ("PGCIL").

@@ The Trust also acquired 49% of paid up equity capital of NER II Transmission Limited ("NER") with effect from 25 March 2021 from Sterlite Power Transmission Limited (SPTL)) and Sterlite Grid 4 Limited ('SGL4'), (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 05 March 2021, as amended on 25 March 2021 ("SPA"). The Trust has finalised purchase consideration for acquisition of entire stake in NER and has entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in NER from the Selling Shareholders. As of 31 March 2021, the Trust has paid additional consideration equivalent to 25% of the total consideration as an advance which would be adjusted towards payable for acquisition of 25% of equity stake.

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2021

Note 5: Investments

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Non-Current		
Non-convertible debentures (unquoted) (at amortised cost)		
Indigrid Limited ("IGL") (formerly known as "Sterlite Grid 1 Limited")		
(665.82 million (31 March 2020: 665.82 million) 0.01% Non-convertible debentures of Rs 10 each)#	-	5,823.90
Less: Provision for impairment	-	(2,508.91)
	-	**3,314.99**
Current		
Non-convertible debentures (unquoted) (at amortised cost)		
Indigrid Limited ("IGL") (formerly known as "Sterlite Grid 1 Limited")		
(665.82 million (31 March 2020: 665.82 million) 0.01% Non-convertible debentures of Rs 10 each)#	6,448.33	-
Total	**6,448.33**	**-**

Non Convertible debenture (NCD) of Face value of Rs.10 each were issued by Indigrid Limited (formerly known as "Sterlite Grid 1 Limited"). The NCD were redeemable at the option of the NCD holder anytime after 22 July 2019 but the NCD holders did not exercise their right of redeeming the NCDs, hence the NCDs are due for repayment at the end of July 2021. Since the interest rate for the NCD is below market rate, an equivalent amount has been re-classified as equity contribution in subsidiary disclosed under investment in subsidiary.

Note 6: Loans (unsecured, considered good)

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Non-current		
Loan to subsidiaries (refer note 24) *	1,11,361.96	70,713.80
		-
Total	**1,11,361.96**	**70,713.80**
Current		
Loan to subsidiaries (refer note 24) #	-	560.61
Total	**-**	**560.61**

* Loans are non-derivative financial assets which are repayable by subsidiaries upon expiry of period of their respective Transmission Services Agreement. Further, the subsidiaries are entitled to prepay all or any portion of the outstanding principal with a prior notice. The loans to subsidiaries carry interest @ 15% - 15.75% p.a.
# Loan given to wholly owned subsidiary is repayable on demand. This loans carries interest @ 15% p.a.

Note 7: Other financial assets (unsecured, considered good)

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Current		
Interest receivable from subsidiaries (refer note 24)	518.30	281.64
Advances receivable in cash or kind	6.30	0.21
Interest accrued on deposits	26.19	49.64
Total	**550.79**	**331.49**

Note 8: Other non-current assets

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Advance income tax, including TDS (net of provisions)	19.71	-
Total	**19.71**	**-**

Note 9: Cash and cash equivalents

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Balance with banks		
- in current accounts ^	4,279.55	2,079.93
Deposit with original maturity of less than 3 months #	2,625.65	48.90
Total	**6,905.20**	**2,128.83**

Balances with banks on current accounts does not earn interest. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash-requirement of the Trust and earn interest at the respective deposit rates.

^ Out of total amount, Rs. 9.35 million (31 March 2020: Rs. 7.34 million) pertains to unclaimed distribution to unitholders.

Includes amount of Rs. 2,044.20 million (31 March 2020: Nil) is kept in Debt Service Reserve Account ('DSRA') as per borrowing agreements with lenders.

Note 10: Other bank balances

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Current		
Deposit with original maturity for more than 3 months but less than 12 months #	342.10	798.90
Deposit with original maturity for more than than 12 months#	498.95	-
Total	**841.05**	**798.90**

Includes amount of Nil million (31 March 2020: Rs. 798.40 million) kept in Interest Service Reserve Account ('ISRA') as per borrowing agreements with lenders.

Note 11: Unit Capital

	Number of units (In million)	Amount (Rs. in million)
As at 01 April 2019	**283.80**	**28,380.00**
Issued during the year (refer note below)	299.69	25,140.48
Issue expenses (refer note below)	-	(374.79)
As at 31 March 2020	**583.49**	**53,145.69**
Issued during the period	-	-
As at 31 March 2021	**583.49**	**53,145.69**

Note:
During the previous year ended 31 March 2020, the Trust raised Rs. 25,140.48 million of primary capital through a qualified institutional placement of units. The Trust issued and allotted 299,683,881 units at a price of Rs. 83.89 per unit as per the placement agreement dated 04 May 2019. Issue expenses of Rs. 374.79 million incurred in connection with issue of units have been reduced from the Unitholders capital as at 31 March 2020 in accordance with Ind AS 32 Financial Instruments: Presentation.

a. Terms/rights attached to units
The Trust has only one class of units. Each unit represents an undivided beneficial interest in the Trust. Each holder of unit is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in every six months in each financial year in accordance with the InvIT Regulations. The Investment Manager approves distributions. The distribution will be in proportion to the number of units held by the unitholders. The Trust declares and pays distribution in Indian rupees.

A unitholder has no equitable or proprietary interest in the projects of IndiGrid and is not entitled to any share in the transfer of the projects (or any part thereof) or any interest in the projects (or any part thereof) of IndiGrid. A unitholder's right is limited to the right to require due administration of IndiGrid in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

b. Unitholders holding more than 5 percent Units in the Trust

	31 March 2021		31 March 2020	
	(Nos. in million)	(Rs. in million)	(Nos. in million)	(Rs. in million)
Esoteric II Pte. Limited	136.04	23.31%	136.04	23.31%
Government of Singapore	116.82	20.02%	116.82	20.02%
Larsen And Toubro Limited	36.68	6.29%	-	-
Sterlite Power Transmission Limited *	2.04	0.35%	87.55	15.00%
Schroder Asian Asset Income Fund	-	-	19.78	3.39%

* Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL').

c. The Trust has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of incorporation till the balance sheet date. Further the Trust has not issued any units for consideration other than cash from the date of incorporation till the balance sheet date.

Note 12: Other Equity

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Retained earnings/ (Accumulated deficit)		
Balance as per last financial statements	(1,713.72)	(519.17)
Add: Profit for the year	10,724.92	4,908.20
Less: Distribution paid to unitholders	(7,060.17)	(6,102.75)
Closing balance	**1,951.03**	**(1,713.72)**

Note 13: Long term borrowings

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Non-Current		
Debentures		
7.11% Non-convertible debentures (secured) (refer note A below)	4,350.00	4,350.00
8.60% Non-convertible debentures (secured) (refer note A below)	2,500.00	2,500.00
8.40% Non-convertible market linked debentures (secured) (refer note B below)	1,702.19	1,725.66
9.00% Non-convertible market linked debentures (secured) (refer note B below)	1,976.71	2,100.12
8.85% Non-convertible debentures (secured) (refer note A below)	1,980.06	1,969.00
9.10% Non-convertible debentures (secured) (refer note A below)	16,925.60	16,887.38
8.40% Non-convertible debentures (secured) (refer note A and (i) below)	3,496.51	-
7.40% Non-convertible debentures (secured) (refer note A and (i) below)	992.09	-
7.00% Non-convertible debentures (secured) (refer note A and (i) below)	2,496.17	-
7.25% Non-convertible debentures (secured) (refer note A and (i) below)	1,493.30	-
8.50% Non-convertible debentures (secured) (refer note A and (i) below)	3,974.08	-
7.25% Non-convertible debentures (secured) (refer note C and (i) below)	26,498.93	-
	68,385.64	**29,532.16**
Term loans		
Indian rupee loan from banks (secured) (refer note D and (ii) below)	35,631.63	9,950.05
	35,631.63	**9,950.05**
Total	**1,04,017.27**	**39,482.21**
The above amount includes		
Secured borrowings	1,04,017.27	39,482.21
Unsecured borrowings	-	-
Total non-current borrowings	**1,04,017.27**	**39,482.21**
Current maturities		
8.10% Non-convertible debentures (secured) (refer note A and i below)	998.83	-
Indian rupee loan from banks (secured) (refer note D and (ii) below)	493.55	-
Interest accrued but not due	823.65	88.74
Total current portion of non-current borrowings	**2,316.03**	**88.74**
Less: Amount disclosed under the head "Other current financial liabilities" (refer note 14)	2,316.03	88.74
Net borrowings	**-**	**-**

(i) The above items represent new secured non-convertible debentures that have been issued by the Trust during the year ended 31 March 2021.
(ii) During the year ended 31 March 2021 the Trust has taken new Indian rupee loan from banks of Rs. 24,900 million.

(A) Secured Non-convertible debentures referred above to the extent of:

(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust;
(iii) Pledge over 51% of the share capital of specified SPVs.

(B) Secured market linked non-convertible debentures referred above to the extent of:

(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust;
(iii) Pledge over 51% of the share capital of specified SPVs.

(C) Secured non-convertible debentures referred above to the extent of:

(i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
(ii) First pari-passu charge on Escrow account of the Trust
(iii) First pari-passu charge on the ISRA and DSRA accounts.
(iv) Pledge over 51% of the share capital of specified SPVs

The Trust is in the process of creating security charge on the above NCDs.

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2021

The below table shows the maturity profile of outstanding NCD and MLD of the Trust the principal of which is repayable in full at the time of maturity :

Rate of Interest	Repayment Commencement Date	2022-2023	2023-2024	2024-2025	2025-2026	2028-2029
4,350 7.11% Non-convertible debentures of Rs. 10,00,000 each	14 February 2029	-	-	-	-	4,350
2,500 8.60% Non-convertible debentures of Rs. 10,00,000 each	31 August 2028	-	-	-	-	2,500
3000 9.10% Non-convertible debentures of Rs. 10,00,000 each	29 July 2024	-	-	3,000	-	-
1740 8.40% market linked non-convertible debentures of Rs. 10,00,000 each	24 January 2024	-	1,740	-	-	-
900 8.40% market linked non-convertible debentures of Rs. 10,00,000 each	24 January 2024	-	-	-	-	-
2,000 9.00% market linked non-convertible debentures of Rs. 10,00,000 each	04 January 2023	2,000	-	-	-	-
2,000 8.85% Non-convertible debentures of Rs. 10,00,000 each	02 November 2022	2,000	-	-	-	-
14,000 9.10% Non-convertible debentures of Rs. 10,00,000 each	03 June 2022	14,000	-	-	-	-
4,000 8.50% Non-convertible debentures of Rs. 10,00,000 each	01 March 2024	-	4,000	-	-	-
2,500 7.00% Non-convertible debentures of Rs. 10,00,000 each	28 June 2024	-	-	2,500	-	-
1,500 7.25% Non-convertible debentures of Rs. 10,00,000 each	27 June 2025	-	-	-	1,500	-
1,000 7.40% Non-convertible debentures of Rs. 10,00,000 each	26 December 2025	-	-	-	1,000	-
15,000 7.25% Non-convertible debentures of Rs. 10,00,000 each	10 April 2024	-	15,000	-	-	-
6,500 7.25% Non-convertible debentures of Rs. 10,00,000 each	10 April 2025	-	-	6,500	-	-
5,000 7.25% Non-convertible debentures of Rs. 10,00,000 each	10 April 2026	-	-	-	5,000	-

(D) Term loan from bank
1. The Indian rupee term loan from bank carries interest at the rate of 7.60% and 8.25% p.a. payable monthly. Entire loan amount shall be repayable as a bullet repayment at the end of 5 years from the date of disbursement. The term loan is secured by (i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs; (ii) First pari-passu charge on Escrow account of the Trust.

2. The Indian rupee term loan from bank carries interest at the rate of 8.25% p.a. payable monthly. Entire loan amount shall be repayable as a bullet repayment at the end of 10 years from the date of disbursement. The term loan is secured by (i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs; (ii) First pari-passu charge on Escrow account of the Trust.

3. The Indian rupee term loan from bank carries interest at the rate of 7.40%, 7.45% p.a and 7.6% payable monthly. Loan amount installments shall be repayable as per the payment schedule at the end of 10 years from the date of disbursement. The term loan is secured by (i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs; (ii) First pari-passu charge on Escrow account of the Trust.

Financial covenants
Loans from bank, financial institution contain certain debt covenants relating to limitation on interest service coverage ratio, debt service coverage ratio, Net Debt to AUM, Net Debt to EBITDA etc. The financial covenants are reviewed on availability of audited accounts of the respective borrower periodically. For the financial year ended 31 March 2021, the Trust has satisfied all debt covenants prescribed in the terms of loan from bank and financial institutions, where applicable.

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2021

Note 14: Other financial liabilities

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Other financial liabilities at amortised cost		
Current maturities of long-term borrowings (refer note 13)	1,492.38	-
Interest accrued but not due on borrowings	823.65	88.74
Distribution payable	9.58	7.34
Payable towards project acquired#	1,752.08	1,897.00
Others*	120.36	97.25
Total	**4,198.05**	**2,090.33**

Liability of Rs. 1,752.08 million (31 March 2020: Rs. 1,897.00 million) is towards acquisition of equity shares of NRSS XXIX Transmission Limited, Odisha Generation Phase-II Transmission Limited, East-North Interconnection Company Limited, Gurgaon-Palwal Transmission Limited (31 March 2020 : Nil), Jhajjar KT Transco Private Limited (31 March 2020 : Nil), Parbati Koldam Transmission Company Limited (31 March 2020 : Nil) and NER II Transmission Limited (31 March 2020 : Nil) pursuant to respective share purchase agreements.
* Other payables are non-interest bearing and have an average term of six months.

Note 15: Other current liabilities

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Withholding taxes (TDS) payable	8.46	9.06
GST payable	1.50	-
Total	**9.96**	**9.06**

Note 16: Current tax liability (net)

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Current tax liability (net)	-	4.10
Total	-	4.10

Note 17: Deferred tax liability (net)

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Gross deferred tax liability (A)	-	-
Gross deferred tax asset (B)	-	-
Net deferred tax liability (A-B)	**-**	**-**

Reconciliation of deferred tax liability

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Opening deferred tax liability, net	-	
Deferred tax credit / (charge) recorded in statement of profit and loss	-	-
Deferred tax (credit) / charge recorded in OCI	-	-
Closing deferred tax liability, net	**-**	**-**

The major components of income tax expense for the years ended 31 March 2021 and 31 March 2020 are:

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
- Current tax	-	56.96
- Deferred tax	-	-
- Income tax for earlier years	(1.18)	-
Income tax expenses reported in the statement of profit and loss	**(1.18)**	**56.96**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2021 and 31 March 2020:

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Accounting profit before income tax	10,723.74	4,965.16
At India's statutory income tax rate of 31.20% (31 March 2020: 42.74%)	3,345.81	2,122.11
Impact of exemption u/s 10(23FC) of the Income Tax Act, 1961 available to the Trust	(3,346.99)	(2,065.15)
At the effective income tax rate	(1.18)	56.96
Income tax expense reported in the statement of profit and loss	**(1.18)**	**56.96**

Note 18: Revenue from operations

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Interest income on loans given to subsidiaries (refer note 24)	11,863.88	9,950.51
Finance income on non-convertible debentures issued by subsidiary on EIR basis	624.43	603.59
Total	**12,488.31**	**10,554.10**

Note 19: Other expenses

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Investment management fees (refer note 24)	2.14	-
Rent	0.37	-
Rates and taxes	7.45	1.25
Insurance expenses	0.27	0.64
Vehicle hire charges	0.06	-
Interest on TDS	3.15	-
Earn out Expenses *	796.62	-
Miscellaneous expenses	17.88	6.61
Total	**827.94**	**8.50**

*Earn out expense of INR 796.62 million for year ended 31 March 2021 (31 March 2020: Nil) paid to Sterlite Power Grid Ventures (now merged with Sterlite Power Transmission Limited) on account of amounts received by the Trust due to change in law orders received by its subsidiary entities. Such amounts are passed on to the selling shareholder as per the terms of the respective agreements with them.

Note 20: Finance Cost

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Financial liabilities measured at amortised cost	4,345.42	2,979.83
Other bank and finance charges	1.55	1.16
Total	**4,346.97**	**2,980.99**

Note 21: Earnings per unit (EPU)

Basic EPU amounts are calculated by dividing the profit for the year attributable to unit holders by the weighted average number of units outstanding during the year.

Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

The following reflects in the profit and unit data used in the basic and diluted EPU computation

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Profit after tax for calculating basic and diluted EPU (Rs. in million)	10,724.92	4,908.20
Weighted average number of units in calculating basic and diluted EPU (No. in million)	583.49	554.01
Earnings Per Unit		
Basic and Diluted (Rupees/unit)	18.38	8.86

Note 22: Significant accounting judgements, estimates and assumptions

The preparation of the Trust's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements
In the process of applying the Trust's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

(a) Classification of Unitholders' funds
Under the provisions of the InvIT Regulations, IndiGrid is required to distribute to unitholders not less than ninety percent of the net distributable cash flows of IndiGrid for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its unitholders cash distributions. The unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016) issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20 October 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unit holders is recognised as liability when the same is approved by the Investment Manager.

Estimates and assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities or fair value disclosures within the next financial year, are described below. The Trust based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Trust. Such changes are reflected in the assumptions when they occur.

(a) Fair valuation and disclosures
SEBI Circulars issued under the InvIT Regulations require disclosures relating to net assets at fair value and total returns at fair value (refer note 23A and 23B). In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuers to perform the valuation. The management works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the valuation report and findings to the Board of the Investment Manager quarterly to explain the cause of fluctuations in the fair value of the transmission projects. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc. Changes in assumptions about these factors could affect the fair value.

(b) Impairment of non-financial assets
Non-financial assets of the Trust primarily comprise of investments in subsidiaries.

The provision for impairment/(reversal) of impairment of investments in subsidiaries is made based on the difference between the carrying amounts and the recoverable amounts. The recoverable amount of the investments in subsidiaries has been computed by external independent valuation experts based on value in use calculation for the underlying projects (based on discounted cash flow model). On a periodic basis, according to the recoverable amounts of individual portfolio assets computed by the valuation experts, the Trust tests impairment on the amounts invested in the respective subsidiary companies. Based on the valuation exercise so carried out, there is a net impairment reversal of Rs. 3,497.47 million for the year ended 31 March 2021 (year ended 31 March 2020: impairment provision of Rs. 2,627.22 million) which is primarily on account of change in risk premium and other underlying assumptions.

The key assumptions used to determine the recoverable amount for the underlying projects are disclosed and further explained in Note 23A.

Note 23A: Fair value measurements

The management has assessed that the financial assets and financial liabilities as at year end are reasonable approximations of their fair values.

The Trust is required to present the statement of total assets at fair value and statement of total returns at fair value as per SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 as a part of these financial statements- Refer Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.

The inputs to the valuation models for computation of fair value of assets for the above mentioned statements are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc.

The significant unobservable inputs used in the fair value measurement required for disclosures categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2021 and 31 March 2020 are as shown below:

Description of significant unobservable inputs to valuation: **(Rs in million)**

Significant unobservable inputs	Input for 31 March 2021	Input for 31 March 2020	Sensitivity of input to the fair value	Increase /(decrease) in fair value 31 March 2021	31 March 2020
WACC	7.57% to 8.23%	8.44% to 9.09%	+ 0.5%	(11,336.00)	(4,769.00)
			- 0.5%	9,083.00	5,655.00
Tax rate (normal tax and MAT)	Normal Tax - 25.168%	Normal Tax - 25.168%	+ 2%	(410.22)	(1,277.63)
			- 2%	374.92	1,311.93
Inflation rate	Revenue: 5.00% Expenses: 2.63% to 4.97%	Revenue: 5.00% Expenses: 2.72% to 4.56%	+ 1%	(1,850.04)	(788.38)
			- 1%	1,495.56	529.45

The independent valuer has considered effect of COVID-19 on the significant unobservable inputs used in fair valuation as referred above.

Note 23B: Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Trust's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021 and 31 March 2020:

(Rs. in million)

	Date of valuation	Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets for which fair values are disclosed:				
Investment in subsidiaries (including loan to subsidiaries)	31 March 2021	-	-	1,84,778.16
	31 March 2020	-	-	98,365.09

There have been no transfers among Level 1, Level 2 and Level 3.

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2021

Note 24: Related party disclosures

I. List of related parties as per the requirements of Ind AS 24 - Related Party Disclosures

(a) Name of related party and nature of its relationship:
Subsidiaries
Indigrid Limited (formerly known as Sterlite Grid 1 Limited)
Indigrid 1 Limited (formerly known as Sterlite Grid 2 Limited)
Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited)
Bhopal Dhule Transmission Company Limited (BDTCL)
Jabalpur Transmission Company Limited (JTCL)
Maheshwaram Transmission Limited (MTL)
RAPP Transmission Company Limited (RTCL)
Purulia & Kharagpur Transmission Company Limited (PKTCL)
Patran Transmission Company Limited (PTCL)
NRSS XXIX Transmission Limited (NTL)
Odisha Generation Phase II Transmission Limited (OGPTL)
East-North Interconnection Company Limited (ENICL)
Gurgaon-Palwal Transmission Limited (GPTL) (from 28 August 2020)
Jhajjar KT Transco Private Limited (JKTPL) (from 28 September 2020)
Parbati Koldam Transmission Company Limited ('PrKTCL') (from 08 January 2021)
NER II Transmission Limited ("NER") (from 25 March 2021)

(b) Other related parties under Ind AS-24 with whom transactions have taken place during the year
Entities with significant influence over the Trust
Esoteric II Pte. Ltd (from May 04, 2019) - Sponsor w.e.f. 28 September 2020
Sterlite Power Grid Ventures Limited (SPGVL)^ - Sponsor and Project manager of IndiGrid - upto 15 November 2020
Sterlite Power Transmission Limited (SPTL) - Sponsor and Project manager of IndiGrid - w.e.f. 15 November 2020
Sterlite Grid 4 Limited (SGL4) - Subsidiary of Sponsor

II. List of related parties as per Regulation 2(1)(zv) of the InvIT Regulations

(a) Parties to IndiGrid
Sterlite Power Grid Ventures Limited (SPGVL)^ - Sponsor and Project manager of IndiGrid (upto 15 November 2020)
Sterlite Power Transmission Limited (SPTL) - Sponsor and Project manager of IndiGrid (w.e.f. 15 November 2020)
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) (IIML) - Investment manager of IndiGrid
Axis Trustee Services Limited (ATSL) - Trustee of IndiGrid
Esoteric II Pte. Ltd (from 04 May 2019) (EPL) - Sponsor w.e.f. 28 September 2020

(b) Promoters of the parties to IndiGrid specified in (a) above
Twin Star Overseas Limited - Promoter of SPTL
Sterlite Power Transmission Limited - Promoter of IIML*
Electron IM Pte. Ltd. - Promoter of IIML *
Axis Bank Limited - Promoter of ATSL
KKR Ingrid Co-Invest L.P.-Cayman Island - Promoter of EPL

(c) Directors of the parties to IndiGrid specified in (a) above

Directors of SPTL:
Pravin Agarwal
Pratik Agarwal
A. R. Narayanaswamy
Arun Todarwal Lalchand
Zhao Haixia
Avaantika Kakkar (till 02 February 2021)
Anoop Seth

Directors of IIML:
Pratik Agarwal
Tarun Kataria
Late Shashikant Bhojani (till 22 July 2020)
Rahul Asthana
Harsh Shah (CEO and whole time director)
Sanjay Omprakash Nayar (from 07 June 2019)
Ashok Sethi (from 20 October 2020)
Kuldip Kumar Kaura (till 07 June 2019)

Key Managerial Personnel of IIML:
Harsh Shah (CEO and whole time director)
Jyoti Kumar Agarwal (CFO wef 16 September 2020)
Swapnil Patil (Company Secretary)

Directors of ATSL:
Rajesh Kumar Dahiya
Sanjay Sinha
Ganesh Sankaran (from 18 April 2019)
Ram Bharoseylal Vaish (till 08 November 2019)

Directors of Esoteric II Pte. Ltd.:
Velasco Azonos Cecilio Francisco (from 19 February 2021)
Tang Jin Rong (from 19 February 2021)
Ngan Nim Ying (from 19 February 2021)
Wong Wai Kin (till 19 February 2021)
Terence Lee Chi Hur (till 19 February 2021)
Ooi Yi Jun (till 19 February 2021)

Relative of directors mentioned above:
Sonakshi Agarwal
Jyoti Agarwal
Sujata Asthana
Mala Todarwal

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2021

Firm in which director of sponsor is partner:
Cyril Amarchand Mangaldas (till 02 February 2021)

* During the previous year, Electron IM Pte. Ltd. purchased 40% stake in Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) (IIML) from Sterlite Power Transmission Limited post which Electron IM Pte. Ltd. holds 60% of stake in IIML.

^ Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL').

(B) The transactions with related parties during the year are as follows:-

(Rs. in millions)

Particulars	Relation	2020-21	2019-20
1. Unsecured loans given to subsidiaries			
Bhopal Dhule Transmission Company Limited (BDTCL)	Subsidiary	549.44	166.20
Jabalpur Transmission Company Limited (JTCL)	Subsidiary	1,959.35	1,203.10
Maheshwaram Transmission Limited (MTL)	Subsidiary	162.04	-
RAPP Transmission Company Limited (RTCL)	Subsidiary	282.34	-
Purulia & Kharagpur Transmission Company Limited (PKTCL)	Subsidiary	535.08	-
Patran Transmission Company Limited (PTCL)	Subsidiary	676.40	-
NRSS XXIX Transmission Limited (NRSS)	Subsidiary	19,140.97	29,483.42
Odisha Generation Phase II Transmission Limited (OGPTL)	Subsidiary	151.31	6,143.52
East-North Interconnection Company Limited (ENICL)	Subsidiary	12,033.25	-
Gurgaon-Palwal Transmission Limited (GPTL)	Subsidiary	901.10	-
Jhajjar KT Transco Private Limited (JKTPL)	Subsidiary	1,793.67	-
NER II Transmission Limited (NER)	Subsidiary	27,305.57	-
Indigrid Limited (IGL)	Subsidiary	341.11	-
Indigrid 1 Limited (IGL1)	Subsidiary	31.22	1,089.93
Indigrid 2 Limited (IGL2)	Subsidiary	6.19	-
2. Repayment of loan from subsidiaries			
Bhopal Dhule Transmission Company Limited (BDTCL)	Subsidiary	954.78	90.11
Jabalpur Transmission Company Limited (JTCL)	Subsidiary	700.00	109.19
Maheshwaram Transmission Limited (MTL)	Subsidiary	41.46	-
RAPP Transmission Company Limited (RTCL)	Subsidiary	349.67	131.17
Purulia & Kharagpur Transmission Company Limited (PKTCL)	Subsidiary	629.62	126.25
Patran Transmission Company Limited (PTCL)	Subsidiary	497.53	33.71
NRSS XXIX Transmission Limited (NRSS)	Subsidiary	19,290.56	3,778.81
Odisha Generation Phase II Transmission Limited (OGPTL)	Subsidiary	421.32	144.13
East-North Interconnection Company Limited (ENICL)	Subsidiary	3,551.90	26.39
Gurgaon-Palwal Transmission Limited (GPTL)	Subsidiary	402.17	-
Jhajjar KT Transco Private Limited (JKTPL)	Subsidiary	73.37	-
Indigrid Limited (IGL)	Subsidiary	-	252.80
Indigrid 2 Limited (IGL2)	Subsidiary	0.20	2,059.72
3. Interest income from subsidiaries			
Bhopal Dhule Transmission Company Limited (BDTCL)	Subsidiary	1,321.63	1,305.15
Jabalpur Transmission Company Limited (JTCL)	Subsidiary	2,729.80	2,541.68
Maheshwaram Transmission Limited (MTL)	Subsidiary	581.70	568.58
RAPP Transmission Company Limited (RTCL)	Subsidiary	334.02	345.17
Purulia & Kharagpur Transmission Company Limited (PKTCL)	Subsidiary	583.68	592.69
Patran Transmission Company Limited (PTCL)	Subsidiary	258.78	236.71
NRSS XXIX Transmission Limited (NRSS)	Subsidiary	4,099.21	3,484.61
Odisha Generation Phase II Transmission Limited (OGPTL)	Subsidiary	905.67	621.56
East-North Interconnection Company Limited (ENICL)	Subsidiary	310.10	-
Gurgaon-Palwal Transmission Limited (GPTL)	Subsidiary	252.70	-
Jhajjar KT Transco Private Limited (JKTPL)	Subsidiary	133.13	-
NER II Transmission Limited (NER)	Subsidiary	78.55	-
Indigrid Limited (IGL)	Subsidiary	13.81	17.45
Indigrid 1 Limited (IGL1)	Subsidiary	171.54	127.71
Indigrid 2 Limited (IGL2)	Subsidiary	89.55	109.20
4. Conversion of subsidiary loan and interest outstanding to equity			
Indigrid 1 Limited	Subsidiary	1,377.97	-
5. Purchase of equity shares of Indigrid 1 Limited (formerly known as Sterlite Grid 2 Limited)			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	37.13	12,626.66
6. Purchase of equity shares of Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited)			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	-	518.31
7. Purchase of loan to Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited)			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	-	2,289.49
8. Purchase of equity shares of ENICL			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	6.17	1,259.46
Sterlite Power Transmission Limited	Promoter of project manager	-	29.09
9. Purchase of loan to ENICL			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	-	587.00
10. Purchase of equity shares of GPTL			
Sterlite Grid 4 Limited	Susidiary of Sponsor/Entity with significant influence	906.36	-
11. Purchase of loan to GPTL			
Sterlite Grid 4 Limited	Susidiary of Sponsor/Entity with significant influence	2,252.28	-
12. Purchase of equity shares of NER			
Sterlite Grid 4 Limited	Susidiary of Sponsor/Entity with significant influence	14,090.65	-

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2021

Particulars	Relation	2020-21	2019-20
13. Received towards indemnification of liabilities			
Sterlite Power Transmission Limited	Sponsor and Project Manager/Entity with significant influence	15.36	18.66
14. Earn Out Expenses			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	796.62	-
15. Issue of unit capital			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager/Entity with significant influence	-	11,412.04
Esoteric II Pte. Ltd	Entity with significant influence over the Trust	-	2,300.13
16. Distribution to unit holders			
Sterlite Power Grid Ventures Limited*	Sponsor and Project Manager	537.73	968.32
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)	Investment manager of IndiGrid	2.08	-
Esoteric II Pte. Ltd	Entity with significant influence over the Trust	1,646.03	1,203.85
Pravin Agarwal	Director of Sponsor	-	3.06
Pratik Agarwal	Director of Sponsor and Investment Manager	2.39	4.41
Harsh Shah	Whole time director of Investment Manager	0.12	0.12
Swapnil Patil	Company Secretary of Investment Manager	0.03	-
Sonakshi Agarwal	Relative of director	0.19	0.18
Jyoti Agarwal	Relative of director	0.25	0.24
Sujata Asthana	Relative of director	1.01	0.67
Arun Todarwal	Director of Sponsor	0.08	0.06
A. R. Narayanaswamy	Director of Sponsor	0.19	0.15
Mala Todarwal	Relative of director	0.06	-
17. Trustee fee			
Axis Trustee Services Limited (ATSL)	Trustee	3.01	2.36
18. Legal and professional services taken			
Cyril Amarchand Mangaldas	Firm in which director of sponsor is partner	10.88	26.62

(C) The outstanding balances of related parties are as follows:-

(Rs in Million)

Particulars	**31 March 2021**	**31 March 2020**
Unsecured loan receivable from subsidiaries	1,11,361.96	71,274.41
Interest receivable from subsidiaries	518.30	281.64
Non-Convertible Debentures of subsidiary (including accrued interest on EIR)	6,448.33	5,823.90
Investment in equity shares of subsidiary (excluding provision for impairment)	38,133.72	17,098.27
Optionally convertible redeemable preference shares	1,001.96	1,001.96
Payable towards project acquired	1,704.94	1,897.00
Payable towards legal and professional services	-	5.18

Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.4(b)(iv) of Section A of Annexure A to SEBI Circular dated 20 October 2016 are as follows:

For the year ended 31 March 2021:

(A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):

(Rs in million)

Particulars	**NER**	**GPTL**
Enterprise value	51,175	11,638
Method of valuation	Discounted Cash Flow	
Discounting rate (WACC):	7.40%	7.96%

(B) Material conditions or obligations in relation to the transactions:

Acquisition of Gurgaon Palwal Transmission Limited (GPTL):
Pursuant to the share purchase agreements dated August 28, 2020 ("SPA") executed among Sterlite Power Grid Ventures Limited*, Sterlite Grid 4 Limited, Axis Trustee Services Limited, Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) and Gurgaon Palwal Transmission Limited ('GPTL') for acquisition of equity stake in GPTL, Indigrid has acquired 49% of paid up equity capital of GPTL with effect from August 28, 2020.

Under the Agreements, the Trust has the following rights:
a. Right to nominate the majority of the directors on the Board of Directors of GPTL.
b. The Selling Shareholders are required to vote according in AGM/EGM or any other meeting of shareholders of GPTL in a manner favourable for the interests of IndiaGrid Trust.
c. Irrevocable and unconditional right to acquire the remaining 51% of the equity stake of GPTL at a later date (on expiry of the respective mandatory shareholding period).
d. Pledge on the remaining 51% equity stake in GPTL, of which 2% is pledged to lenders of GPTL.
e. Non-disposal undertaking from the Selling Shareholders for the remaining 51% equity stake in GPTL.

The acquisition of equity shares of GPTL was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of NER II Transmission Limited (NER):
Pursuant to the share purchase agreements dated 05 March 2021 ("SPA") executed among Sterlite Power Transmission Limited, Sterlite Grid 4 Limited, Axis Trustee Services Limited, Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited) and NER II Transmission Limited ('NER') for acquisition of equity stake in NER, Indigrid has acquired 49% of paid up equity capital of NER with effect from 25 March 2021. As of 31 March 2021, the Trust has paid additional consideration equivalent to 25% of the total consideration which would be adjusted towards payable for acquisition of 25% of equity stake.

Under the Agreements, the Trust has the following rights:
a. Right to nominate the majority of the directors on the Board of Directors of NER.
b. The Selling Shareholders are required to vote according in AGM/EGM or any other meeting of shareholders of NER in a manner favourable for the interests of IndiaGrid Trust.
c. Irrevocable and unconditional right to acquire the remaining 51% of the equity stake of NER at a later date (on expiry of the respective mandatory shareholding period).
d. Pledge on the remaining 51% equity stake in NER.
e. Non-disposal undertaking from the Selling Shareholders for the remaining 51% equity stake in NER.

The acquisition of equity shares of NER was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

For the year ended 31 March 2020:

(A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):

(Rs in million)

Particulars	NTL	OGPTL	ENICL
Enterprise value	41,626	12,840	11,355
Method of valuation	Discounted Cash Flow		
Discounting rate (WACC):	8.12%	8.42%	8.77%

(B) Material conditions or obligations in relation to the transactions:

Acquisition of NRSS XXIX Transmission Limited (NTL) (through acquisition of Indigrid 1 Limited (formerly known as Sterlite Grid 2 Limited)):
Pursuant to the share purchase agreements dated April 30, 2019 ("SPA") executed among Sterlite Power Grid Ventures Limited*, Axis Trustee Services Limited, Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited), Indigrid 1 Limited (formerly known as Sterlite Grid 2 Limited) and NRSS XXIX Transmission Limited for acquisition of equity stake in NTL. The Trust has acquired 100% of equity in Indigrid 1 Limited (formerly known as Sterlite Grid 2 Limited) which is the holding company of NTL.

The acquisition of NRSS ((through acquisition of equity shares of Indigrid 1 Limited (formerly known as Sterlite Grid 2 Limited)) and was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of Odisha Generation Phase-II Transmission Limited (OGPTL) (through acquisition of Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited)):
Pursuant to the share purchase agreements dated April 30, 2019 as amended on June 28, 2019 ("SPA") executed among Sterlite Power Grid Ventures Limited*, Axis Trustee Services Limited, Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited), Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited) and Odisha Generation Phase-II Transmission Limited for acquisition of equity stake in OGPTL. The Trust has acquired 100% of equity in Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited) which is the holding company of OGPTL.

The acquisition of OGPTL ((through acquisition of shares of Indigrid 2 Limited (formerly known as Sterlite Grid 3 Limited)) and was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of East-North Interconnection Company Limited (ENICL) :
Pursuant to the share purchase agreements dated March 23, 2020 ("SPA") executed among Sterlite Power Grid Ventures Limited*, Axis Trustee Services Limited, Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited), Sterlite Power Transmission Limited and East-North Interconnection Limited ('ENICL') for acquisition of equity stake in ENICL. The Trust acquired 49% of paid up equity capital of ENICL with effect from March 24, 2020 and acquired remaining 51% equity stake in ENICL on May 26, 2020.

The acquisition of equity shares of ENICL was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

* Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL').

Note 25: Capital and other Commitments
(a) The Trust has entered into a Framework agreement on 30 April 2019 with Sterlite Grid Ventures Limited ('SPGVL')* for acquisition of Khargone Transmission Limited ('KTL').

(b) The Trust has entered into a Share Purchase agreement on 18 December 2020 with FRV Solar Holdings XI BV ('FRV') for acquisition of 100% equity share capital of FRV Andhra Pradesh Solar Farm-I Pvt Ltd ('FRVAPL') and FRV India Solar Park II-Pvt Ltd ('FRVIPL').

* Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL').

Note 26: Contingent liability
The Trust has no contingent liability to be reported.

Note 27: Segment reporting
The Trust's activities comprise of owning and investing in transmission SPVs to generate cash flows for distribution to unitholders. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of Ind AS -108 have not separately been given.

Note 28: Financial risk management objectives and policies
The Trust's principal financial liabilities comprise of borrowings and other financial liabilities. The main purpose of these financial liabilities is to finance the Trust's operations. The Trust's principal financial assets include investments, loans, cash and bank balances and other financial assets that derive directly from its operations.

The Trust may be exposed to market risk, credit risk and liquidity risk. The Investment Manager oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Trust's policy that no trading in derivatives for speculative purposes may be undertaken. The management reviews and agrees policies for managing each of these risks, which are summarised below.

The Risk Management policies of the Trust are established to identify and analyse the risks faced by the Trust, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Trust's activities.

Management has overall responsibility for the establishment and oversight of the Trust's risk management framework.

(A) Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings and investments.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Trust's borrowings are at fixed rate, hence the Trust is not exposed to Interest rate risk.

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Trust did not have any exposure in foreign currency as at 31 March 2021 and 31 March 2020.

Equity price risk
The Trust's investments in equity shares of subsidiaries are susceptible to market price risk arising from uncertainties about future values of those investments. Reports on the equity portfolio are submitted to the senior management on a regular basis. The Board of Directors of the Investment Manager reviews and approves all equity investment decisions.
At the reporting date, the exposure to equity investments in subsidiary at carrying value was Rs. 37,193.07 million (31 March 2020: Rs. 15,169.05 million). Sensitivity analyses of significant unobservable inputs used in the fair value measurement are disclosed in Note 23A.

(B) Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Trust is exposed to credit risk from its investing activities including loans to subsidiaries, deposits with banks and other financial instruments. As at 31 March 2021 and 31 March 2020, the credit risk is considered low since substantial transactions of the Trust are with its subsidiaries.

(C) Liquidity risk
Liquidity risk is the risk that the Trust may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Trust's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Trust requires funds both for short term operational needs as well as for long term investment programs mainly in transmission projects. The Trust closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents and liquid investments will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The other financial liabilities are with short term durations. The table below summarises the maturity profile of the Trust's financial liabilities based on contractual undiscounted payments:

Rs in million

Particulars	Payable on demand	Less than 3 months	3 months to 12 months	1 to 5 years	More than 5 years	Total
31 March 2021						
Borrowings	-	-	-	4,844.55	99,172.72	1,04,017.27
Other financial liabilities (excluding derivative instruments)	-	944.01	3,254.04	-	-	4,198.05
Total	**-**	**944.01**	**3,254.04**	**4,844.55**	**99,172.72**	**1,08,215.32**
Particulars						
31 March 2020						
Borrowings	-	-	-	22,682.16	16,800.05	39,482.21
Other financial liabilities (excluding derivative instruments)	-	193.33	1,897.00	-	-	2,090.33
Total	**-**	**193.33**	**1,897.00**	**22,682.16**	**16,800.05**	**41,572.54**

Note 29: Capital management
For the purpose of the Trust's capital management, capital includes issued unit capital and all other reserves attributable to the unit holders of the Trust. The primary objective of the Trust's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unit holder value.

The Trust manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Trust may adjust the distribution to unitholders (subject to the provisions of InvIT regulations which require distribution of at least 90% of the net distributable cash flows of the Trust to unit holders), return capital to unitholders or issue new units. The Trust monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Trust's policy is to keep the gearing ratio optimum. The Trust includes within net debt, interest bearing loans and borrowings and other payables less cash and cash equivalents, other bank balances and short term investments.

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Borrowings*	1,04,017.27	39,482.21
Trade payables	-	-
Other financial liabilities	4,198.05	2,090.33
Less: Cash and cash equivalents, other bank balances and short term investments	(14,194.58)	(2,927.73)
Net debt (A)	**94,020.74**	**38,644.81**
Unit capital	53,145.69	53,145.69
Other equity	1,951.03	(1,713.72)
Total capital (B)	**55,096.72**	**51,431.97**
Capital and net debt ((C) = (A) + (B))	**1,49,117.46**	**90,076.78**
Gearing ratio (C)/(A)	0.63	0.43

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

Note 30: Subsequent event
1. On 27 May 2021, the Board of directors of the Investment Manager approved a distribution of Rs. 3.10 per unit for the period 1 January 2021 to 31 March 2021 to be paid on or before 15 days from the date of declaration.

2. The Trust has offered an issue of up to 116,695,404 units of India Grid Trust ("Indigrid" and such units, the "units"), for cash at a price of ₹ 110.00 per unit (the "issue price"), aggregating to ₹ 12,836.49 million* to the eligible unitholders (as defined in the Letter of Offer) on a rights basis in the ratio of one lot for every five lots (each lot comprising 1,701 units) held by them on the record date, being 30 March 2021 (the "Issue") in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 including the rules, circulars and guidelines issued thereunder, including the SEBI Rights Issue Guidelines (the "InvIT Regulations"). The issue opened on 06 April 2021 and closed on 13 April 2021.

3. The Trust has filed a Draft Shelf Prospectus ("DSP") on 08 April 2021 for the public issue by the India Grid Trust (the "Trust") of secured, rated, listed, redeemable non-convertible debt securities of face value of ₹ 1,000 each ("NCDs") for an amount aggregating upto ₹ 1,000 crore (the "Shelf Limit"). The issue is being made pursuant to the provisions of the "Guidelines for Issuance of Debt Securities by Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs)" dated 13 April 2018 issued by the Securities and Exchange Board of India read with the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, together with any amendments, circulars and guidelines issued thereunder (the "SEBI ILDS Regulations") and the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, together with any amendments, circulars and guidelines issued thereunder (the "InvIT Regulations"). The issue opened on 28 April 2021 and closed on 30 April 2021.

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2021

Note 31: Impact of COVID-19

During the year, the outbreak of the coronavirus disease of 2019 ('COVID-19') spread throughout the world and became a global pandemic. The pandemic triggered a significant downturn globally, including in India. The pandemic curve in India was declining towards the end of 2020 but has resurged again from March 2021.

The management has evaluated the impact of COVID 19 pandemic on the Trust. The Trust receives income mainly in the form of interest income on loans given to subsidiaries which are engaged in the construction and operation & maintenance of power transmission lines in construction and operation & maintenance of power transmission lines and substations ('power transmission infrastructure') are governed by Section 63 of The Electricity Act 2003 where in as per the transmission Service Agreements ('TSAs') tariff revenue is accrued based on availability of power transmission infrastructure. Further, the Government of India has declared power transmission as an essential service therefore the subsidiaries is able to ensure availability of power transmission infrastructure and carry out maintenance activities during the lock down period.

The management believes that as the tariff revenues are linked to availability, irrespective of the quantum of power transmitted through the power transmission infrastructure and considering the Point of Connection ('PoC') mechanism the risk of non-collection of transmission charges receivables as of 31 March 2021 is minimum. Further, the management does not see any risks in the Trust's ability to continue as a going concern and meeting its liabilities as and when they fall due. The management will continue to monitor and assess impact of economic conditions arising due to COVID 19. The impact of COVID 19 may differ from that expected at the date of approval of these standalone financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors of
Indigrid Investment Managers Limited (formerly Sterlite Investment Managers Limited)
(as Investment Manager of India Grid Trust)

per Huzefa Ginwala
Partner
Membership Number : 111757
Place : Pune
Date : 27 May 2021

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2021

Swapnil Patil
Company Secretary
Membership Number : 24861
Place : Mumbai
Date : 27 May 2021

Jyoti Kumar Agarwal
Chief Financial Officer
Place : Mumbai
Date : 27 May 2021