

Avendus Capital Advises IndiGrid on the Creation of A USD 300 mn Asset Development Platform

November 2024 • Mumbai



DEAL VALUE	USD 300 mn
SERVICE	Private Equity
SECTOR	Infrastructure & Real Assets

India Grid Trust (IndiGrid), India's first and largest listed power sector infrastructure investment trust (InvIT), announced that it has partnered with British International Investments (BII), UK's development finance institution and impact investor, and Norwegian Climate Investment Fund, managed by Norfund, to form a new platform, EnerGrid. This platform will focus on bidding and developing greenfield transmission and standalone Battery Energy Storage System (BESS) projects in India.

This announcement comes in the backdrop of the first phase of the partnership where BII and Norfund (through KNI India AS, Norfund's joint venture with KLP, Norway's largest pension company) invested in three of IndiGrid's existing transmission projects.

With the EnerGrid platform, IndiGrid, BII and Norfund, alongside KLP through KNI India AS, have committed approximately USD 300 million, with each partner contributing around USD 100 million. This capital will enable EnerGrid to target projects worth approximately USD 1.2 billion over the next few years. Post commencement of commercial operations, these projects will be fully acquired by IndiGrid at a pre-agreed enterprise value.

| Avendus Capital acted as the financial advisor to IndiGrid on this transaction.

This will be a symbiotic partnership where IndiGrid will lend its pole position and understanding of the nuanced Indian energy sector, and BII and Norfund will provide access to capital from global Development Financial Institutions and the Norwegian private pension fund. The partnership was signed during the recently concluded COP29 summit in Baku.

Harsh Shah, Chief Executive Officer, and Whole Time Director at IndiGrid said, "Indian power sector is going through a metamorphosis to facilitate achievement of the country's net zero goals. The transmission sector is witnessing a bidding pipeline like never before which we are looking to leverage to drive growth. This partnership will ensure that while IndiGrid continues to look for synergistic brownfield projects to acquire, we can also meaningfully create a growth pipeline for us in the under-construction space. We are delighted to

have partnered with reputed names like BII and Norfund as they will lend their credibility to the new platform while guiding it in implementation of best-in-class ESG and corporate governance practices.”

Tellef Thorleifsson, CEO at Norfund said, “Norfund recognizes the crucial role that investments in transmission infrastructure play in achieving the Indian government's ambitious renewable energy targets. Unlocking capital to accelerate the energy transition is a central theme at COP29 in Baku, and we are delighted to announce this new partnership, which exemplifies our commitment to mobilizing the necessary capital.”

Srini Nagarajan, MD and Head of Asia at British International Investment said, “The launch of EnerGrid further demonstrates how BII is pioneering investment in climate finance to mobilise private capital at scale. Significant investment is required for India to meet its ambitious net zero target, especially in developing the country's transmission infrastructure and energy storage capacity. This partnership will help to attract more private capital into a critical sector, which will facilitate the growth of renewable energy supply to meet growing energy demand sustainably and accelerate India's journey towards a greener future.”

Prateek Jhavar, Managing Director and Head, Infrastructure & Real Assets Investment Banking at Avendus Capital said, “We are delighted to have worked with IndiGrid on this transaction, recognizing their exceptional credentials and proven track record in energy transmission and storage. This deal was stitched with a thorough understanding of the investors' objectives, informed by our previous collaborations. Both BII and Norfund have existing exposure to India's growing renewable energy platforms and a clear vision to further their energy transition commitment. On the other hand, IndiGrid boasts a highly experienced team, providing robust development capabilities to the platform. This partnership will enhance the expansion of transmission and storage infrastructure, critical for sustainably meeting the burgeoning energy demand through renewable sources. We expect this to be a long-lasting partnership, as BII, Norfund, and IndiGrid share aligned values and objectives.”

| About Avendus

Avendus Group is a leading financial services firm with a presence in the areas of Investment Banking, Institutional Equities, Wealth Management, Credit Solutions and Asset Management. Established in 1999 in Mumbai, India, Avendus is today present in 10 cities across India, US and Singapore. Avendus partners with the Indian entrepreneur ecosystem to provide differentiated solutions that enable clients to meet their strategic aspirations.

Avendus Capital, the investment banking arm, is consistently ranked among the top investment banks in the country on the back of its in-depth domain understanding and a best in the class track record of domestic and cross-border transactions. Avendus' wide range of clients is testimony to its ability to serve its corporates throughout their life cycle – from growth stage funding to large-sized transactions, M&A advisory and access to public markets.

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Deal Release

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