Early Warning System

IFC-45645

Indigrid

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Quick Facts

Countries	India
Specific Location	Chattisgarh, Madhya Pradesh, Rajasthan, Jharkhand, West Bengal, Telangana
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	A
Voting Date	2023-02-01
Borrower	India Grid Trust
Sectors	Energy, Infrastructure
Investment Type(s)	Loan
Investment Amount (USD)	$ 150.00 million
Loan Amount (USD)	$ 150.00 million
Project Cost (USD)	$ 355.00 million

Project Description

According to IFC, the proposed investment comprises of a loan by IFC of up to US$150 million in the form of Non-Convertible Debentures (NCDs) issued by India Grid Trust (IndiGrid or the Company). These NCDs will be rated, listed, secured, redeemable and denominated in Indian Rupees. The proceeds will be used by the Company to support its investments or loan infusion in Special Purpose Vehicles (SPVs) that house the transmission assets.

These investments are being used to refinance existing debt at these SPVs. IFC's proceeds will be directed to 5 Transmission Line assets namely:

1.**Jabalpur Transmission Company Limited or JTCL (994 km, 2 lines, commissioned in 2015):** 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.

2.**RAPP Transmission Company Limited or -RTCL (403 km, 1 line, commissioned in 2016):** 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.

3.**Odisha Generation Phase-II Company Limited or OGPTL (713 km, 2 lines, commissioned in 2017):** OGPTL operates two EHV overhead transmission lines of approximately 711 ckms in the states of Chhattisgarh and Odisha comprising one 400 kV double circuit line of approximately 103 ckms from Jharsuguda (Chhattisgarh) to OPGC (Odisha) and one 765 kV double circuit line of approximately 608 ckms from Raipur to Jharsuguda in Chhattisgarh.

4.**Purulia Kharagpur Transmission Company Limited or PKTCL (546 km, 2 lines, commissioned in 2017):** 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).

5.**Maheswaran Transmission Line or MTL (474 km, 2 lines, commissioned in 2017):** MTL operates two EHV overhead transmission lines with a total circuit length of approximately 476 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.

These 5 assets were selected from a list of 13 assets in the invIT portfolio, based on an initial Environmental and Social (E&S) Screening and thereafter an Environmental and Social Due Diligence (ESDD) conducted by a third-party consultant.

This project is Categorized as A according to IFC's Policy on Environmental and Social Sustainability.

People Affected By This Project

The project consisting of 5 operational transmission line assets has Critical Habitat triggers in certain segments which will need measures to manage critical habitat values to achieve net gain. In addition, there are outstanding as well ongoing social impacts from the transmission line, including impacts on access to natural resources to indigenous communities that need to be managed and addressed in line with requirements of Performance Standards.

Investment Description

- International Finance Corporation (IFC)

The proposed IFC investment consists of debt investment of US$335 million comprising an A-Loan of up to US$150 million and mobilization of up to US$185 million. The proposed investment comprises of a subscription by IFC of up to US$150 million to Non-Convertible Debentures (NCDs) issued by IndiGrid.

**Definition of Non-Convertible Debentures (Source: https://economictimes.indiatimes.com/definition/non-convertible-debentures):The debentures which can't be converted into shares or equities are called non-convertible debentures (or NCDs). These are used as tools to raise long-term funds by companies through a public issue.*

Private Actors Description

India Grid Trust (IndiGrid) is India’s first and largest power sector infrastructure investment trust, a yield platform comprising thirteen transmission assets and two solar assets (which are not included in the IFC’s investment), aggregate assets under management (AUM) of US$2.6 billion across 19 states spanning across 7,790 ckms (42 lines), transformation capacity of 14,550 million volt-amps or MVA (12 sub-stations) and 100 MW (AC) of renewable capacity. It is sponsored by Esoteric II Pte Ltd (an affiliate of Kohlberg Kravis Roberts, KKR), a leading global investment firm.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	India Grid Trust	Client	-

Contact Information

India Grid Trust
Mr. Ramneek Teng / Mr. Giriraj Ajmera
Head – Operational Excellence / Head-Corporate Finance
+91 99104 90801 / +91 76661 52507
ramneek.teng@indigrid.com
Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai – 400098
www.indigrid.co.in

ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://disclosures.ifc.org/#/inquiries

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org

Bank Documents

- Environmental and Social Review Summary

Other Related Projects

- IFC-49907 IndiGrid BESS