



Press Meet 25 July, 2012


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- *Annual Accounts for FY2011-12 are yet to be approved by the shareholders.*

- Q1FY12-13: Financial Highlights
- Q1 FY12-13: Performance Highlights
- XII Plan: Investment Programme
- XIII Plan: Power Sector Overview
- Updates on Upcoming Business Opportunities



Q1FY12-13: Financial Results

Financial Performance- Q1 FY12-13

Income up by
27% in
Q1(FY'13) as
against 9% in
Q1(FY'12)

Gross Margin
up by 31% in
Q1(FY'13) as
against 8% in
Q1(FY'12)

PAT up by
23% in
Q1(FY'13) as
against 0.28%
in Q1(FY'12)

| | (₹ in crore) | | |
|----------------------------|--------------|--------------------|--------------------|
| | FY 2011-12 | QTR -I (FY2011-12) | QTR-I (FY 2012-13) |
| Income | | | |
| * Transmission Charges | 9544 | 2101 | 2774 |
| * Consultancy | 290 | 56 | 60 |
| * Telecom | 201 | 45 | 54 |
| * Other Income | 750 | 139 | 92 |
| Total Income | 10785 | 2341 | 2980 |
| Operating Expenses | 1653 | 382 | 424 |
| EBITDA-Gross Margin | 9132 | 1959 | 2556 |
| Prior Period Expenditure | 18 | 1 | 0 |
| Depreciation | 2573 | 579 | 756 |
| Interest | 1943 | 415 | 646 |
| Tax | 1343 | 259 | 284 |
| Profit after Tax | 3255 | 705 | 870 |

Financial Performance- Q1 FY12-13

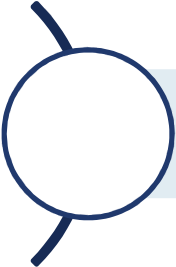
Gross Block up by 9% in Q1(FY'13) as against 3% in Q1(FY'12)

Assets Commissioned ₹ 4073 Cr in Q1(FY13) against ₹ 802 Cr in Q1(FY'12)

Assets commissioned ₹ 4073 Cr in Q1(FY'13) surpassed Capex of ₹ 3007 Cr in Q1(FY13)

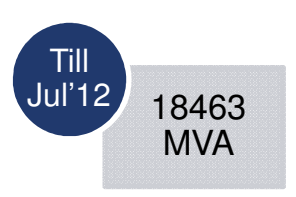
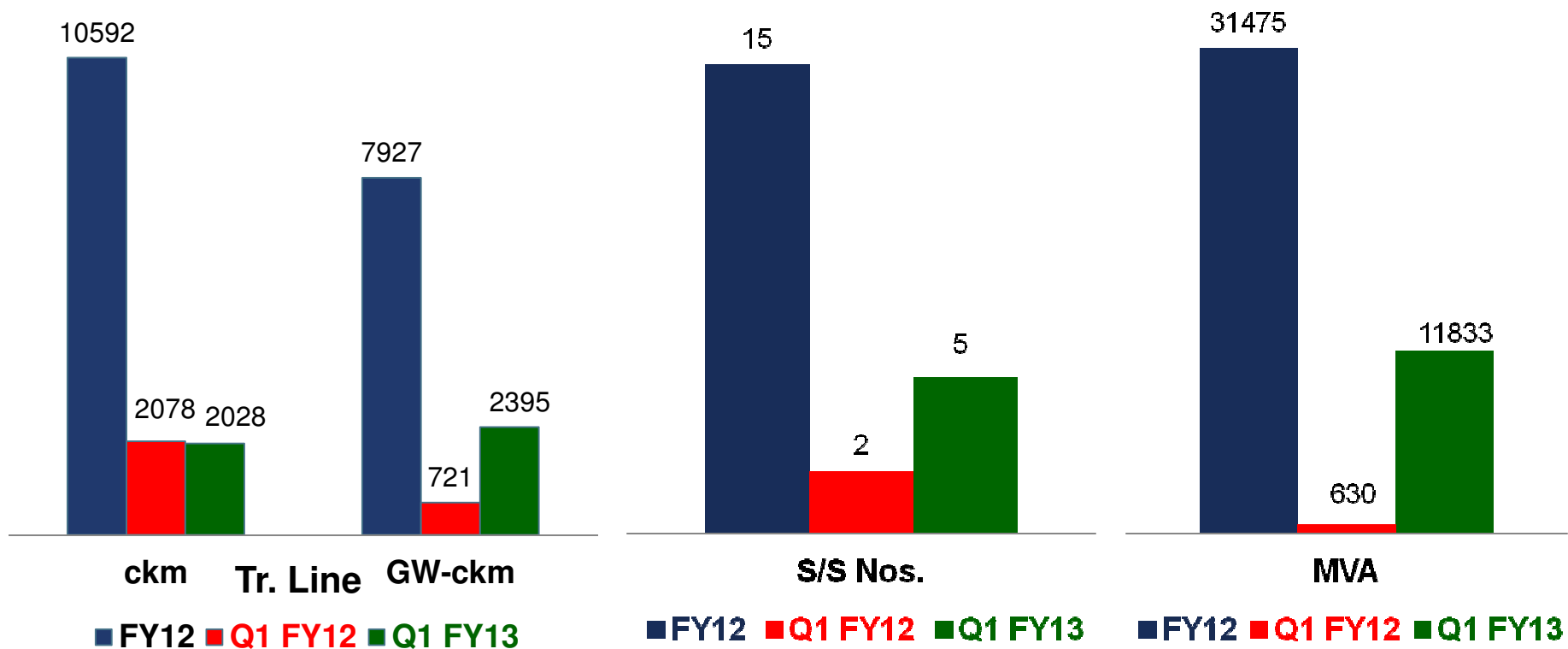
| | (₹ in crore) | | |
|-----------------------------|------------------|------------------|------------------|
| | As on 31.03.2012 | As on 30.06.2011 | As on 30.06.2012 |
| Gross Fixed Assets | 63387 | 51979 | 68876 |
| Debt | 51752 | 41447 | 57987 |
| Net Worth | 23487 | 22057 | 24358 |
| Earning Per Share (Rs) | 7.03 | 1.52* | 1.88* |
| Book Value per Share (Rs) | 50.73 | 47.64 | 52.61 |
| Key Financial Ratios | | | |
| Debt : Equity | 69:31 | 65:35 | 70:30 |
| Return on Net Worth | 13.86% | 3.20% * | 3.57%* |

* Not Annualized



Q1 FY12-13: Performance Highlights

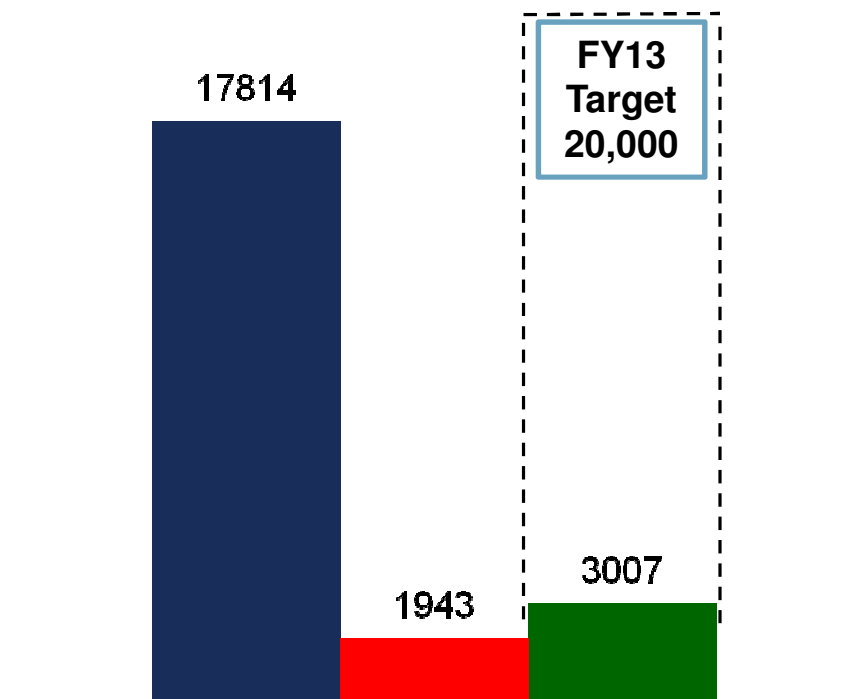
Project Execution





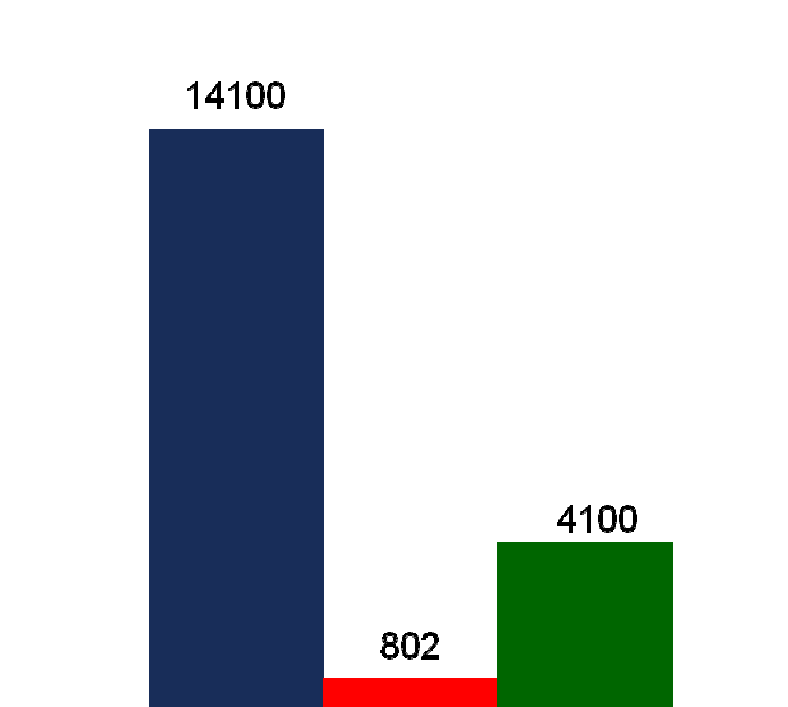
Project Execution

(₹ in crore)



capex

■ FY12 ■ Q1 FY12 ■ Q1 FY13



commissioning/ capitalization

■ FY12 ■ Q1 FY12 ■ Q1 FY13

FY13

Till date

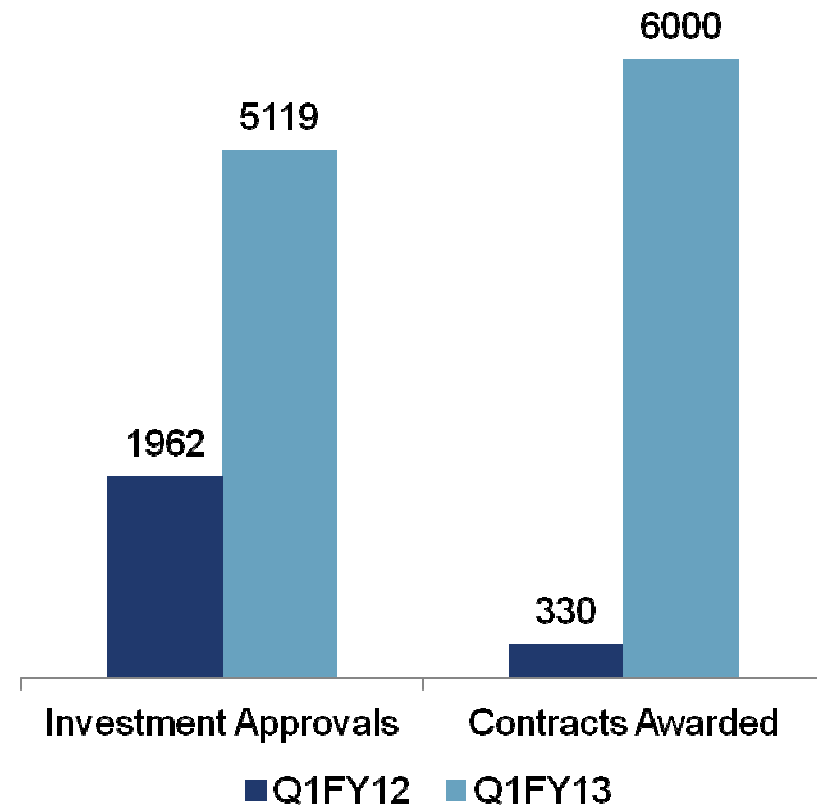
3752

Till Jul'12

5000

Major Projects Commissioned

- Balia-Bhiwadi HVDC (Pole-II)
- System Strengthening for Sasan
- Supplementary DVC
- Other System Strengthening lines in various regions



Other Initiatives & Opportunities

Efficiency Enhancement Initiatives

- **Capex Efficiency**



Established dedicated transportation/ logistics cell for facilitating delivery of major equipment/ material at site

- **Opex Efficiency**



Under Implementation
Project RUPANTAR (ERP)
NTAMC

Emerging Opportunity

Perform-Achieve-Trade
Scheme by GoI



- **Aims to improve energy efficiency in energy intensive industries**
- **Targeted industries:** Thermal Plants, Iron & Steel, Cement, Fertiliser, Textiles, Paper etc.



Dedicated Energy Efficiency Group established to capitalise on the opportunity arising out of PAT Scheme

Operations

Asset Management

Lines 730 Nos.
95,072 ckm

Sub-Stations 155 Nos.
136,358 MVA
~ 1100 Nos.
Transformers &
Reactors

Availability 99.92%
Reliability 0.16 trippings/ line

New Initiatives

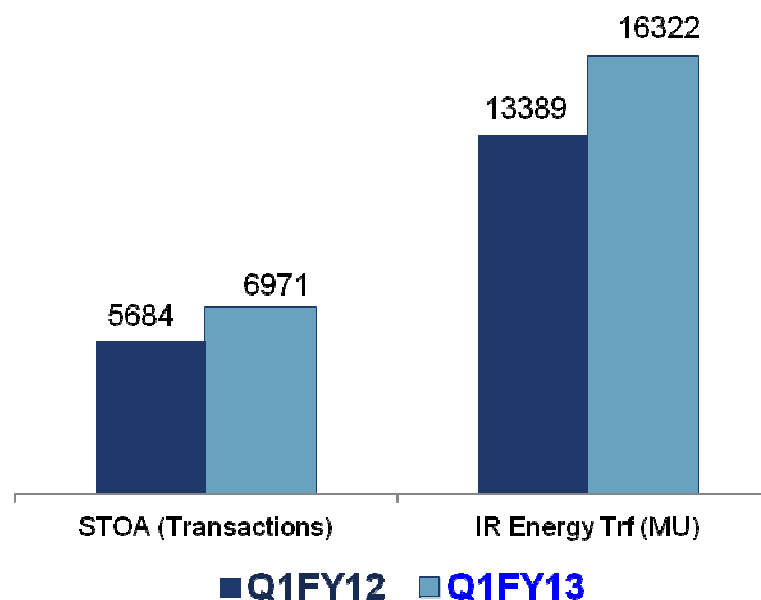


Aerial Patrolling of Transmission Lines

- 800km stretch being undertaken
- Tender in process for another 15,000 km

Grid Management (POSOCO)

IR Transfer increases by 22%



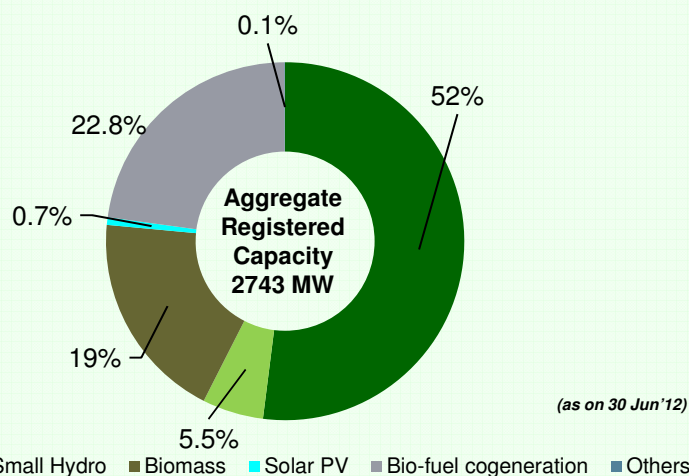
Sub-Hourly Market introduced

Operations (REC Mechanism) & Telecom

REC Mechanism

| | Q1FY12 | Q1FY13 | |
|--------------------------|--------|---------|-------|
| Registered Capacity (MW) | 240 | 514 | > 2x |
| REC Issued (Nos.) | 59,863 | 612,191 | > 10x |
| REC Traded (₹ in crore) | 5.27 | 113.31 | > 21x |

Cumulative RECs traded: ₹ 400 crore



- Monthly Solar REC trading starts in May12
- Solar RECs worth ₹ 45 lakh traded in 2 sessions

Telecom

Q1 Highlights

- **9 new clients added**
 - 6 from Govt sector (incl. UIDAI, Ministry of Tourism)
 - 3 from Private Sector
- **1 new city (Gangtok)** added to the existing network

NKN

Major part of allotment completed

NOFN

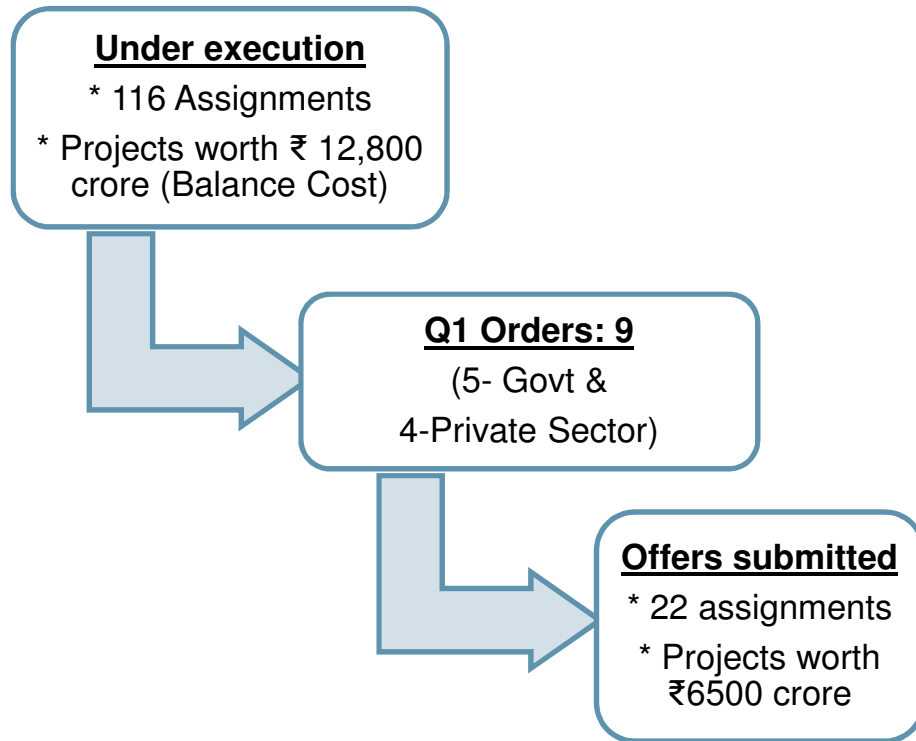
Implementation arrangements being worked out with Gol

Pilot undertaken in Vizag

MPLS-VPN under implementation

Consultancy

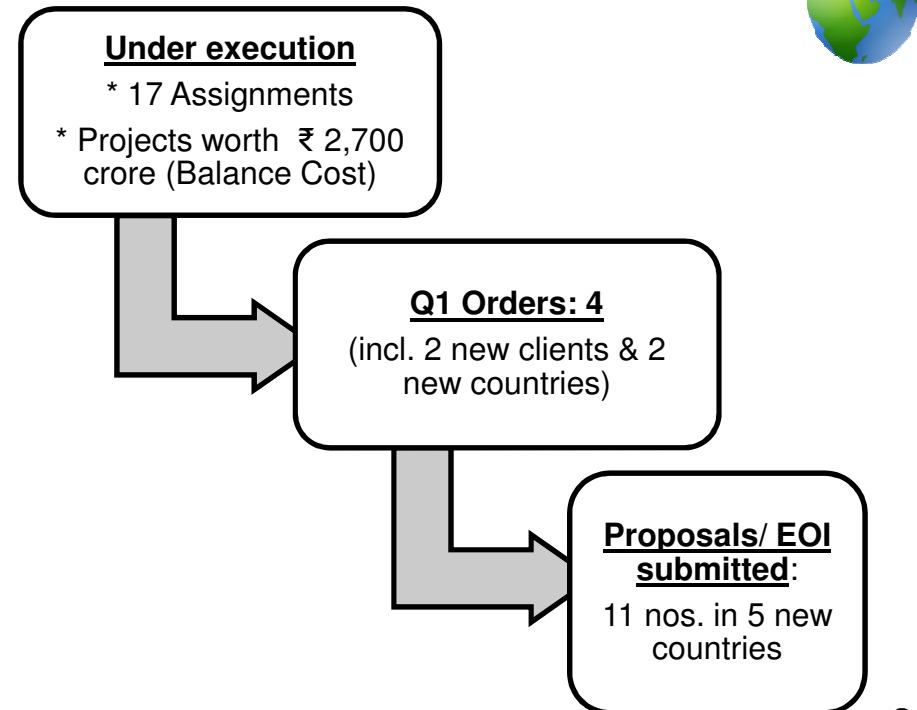
Domestic



Major Clients include:

- Utilities in States/ Uts; Central PSUs
- Central Govt. Organizations (Indian Navy, Railways); Private Utilities; Companies in Private Sector

International



**1st International JV formed-
Power Transmission Company Nepal Ltd.**

| | | | |
|------------|------------|------------|---------|
| Afganistan | Bangladesh | Nepal | Bhutan |
| Sri Lanka | Kenya | Ethiopia | Nigeria |
| | Myanmar | Tajikistan | UAE |

Revenue Collection Efficiency


(₹ in crore)

Outstanding as on date

| | |
|-------------------------------|-----|
| Monthly Billing | 950 |
| Outstanding > 60 days | 529 |
| Being paid in installments | 285 |
| Balance Outstanding > 60 days | 244 |

**Equivalent to 8
days of billing**

**Petition filed with CERC to facilitate Regulation of Power Supply by
Generation Company**



XII Plan: Investment Programme

Power Sector Overview – XII Plan



Generation

- Peak Demand 198GW
- Capacity Addition 88 GW
- Capacity Addition RE 30 GW



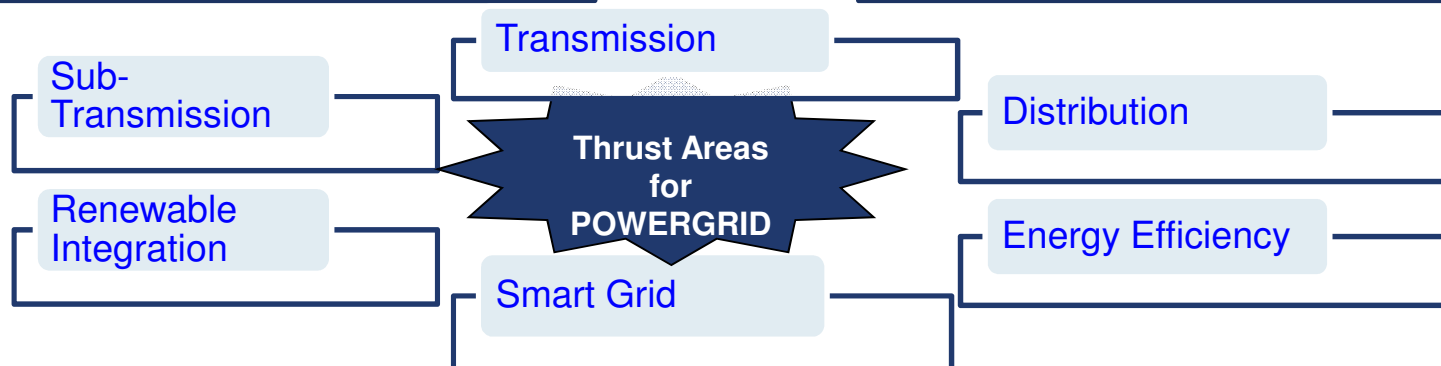
Transmission

- Fund Reqt. (₹ 180,000 crore)
 - inter-State (incl. Pvt) ₹ 125,000 crore
 - intra-State ₹ 55,000 crore
- ckm addition 109,440
- MVA addition 270,000



Distribution

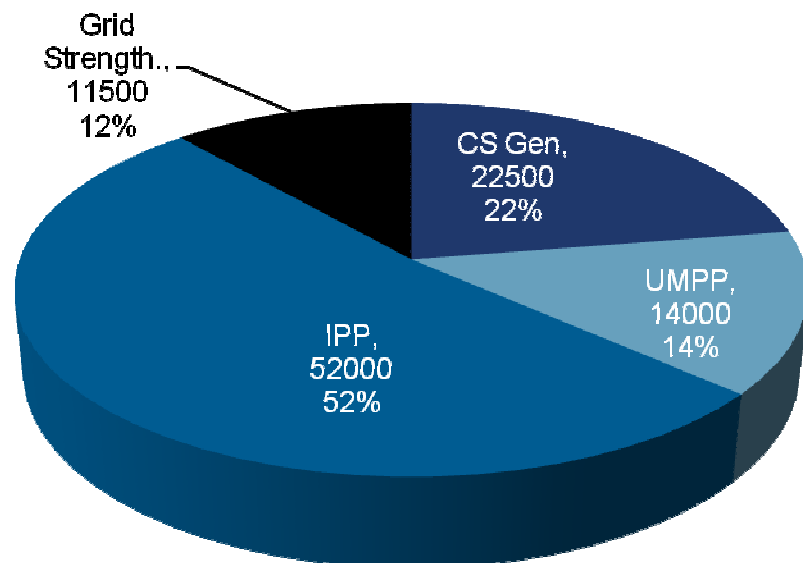
- Fund Reqt. ₹ 306,235 crore
 - incl. ₹ 9500 crore for Smart Grid
- ckm addn. (< 33kV) 13,05,000
- MVA addn. (33/11kV) 138,000 MVA



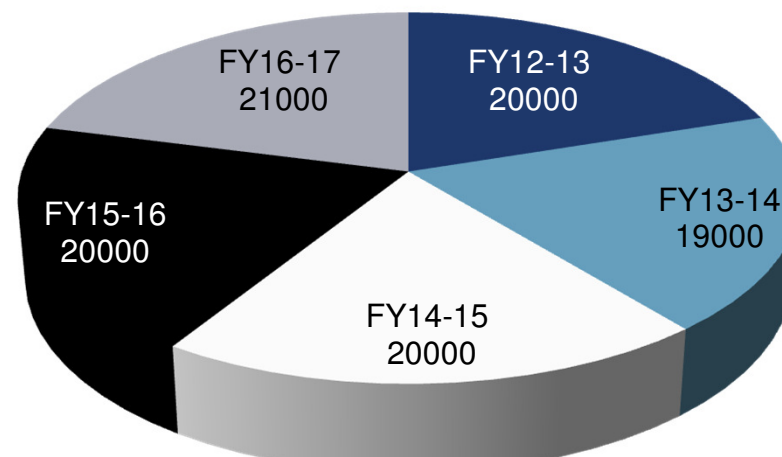
Source: Report of XII Plan Working Group on Power

Investment Programme

(₹ in crore)



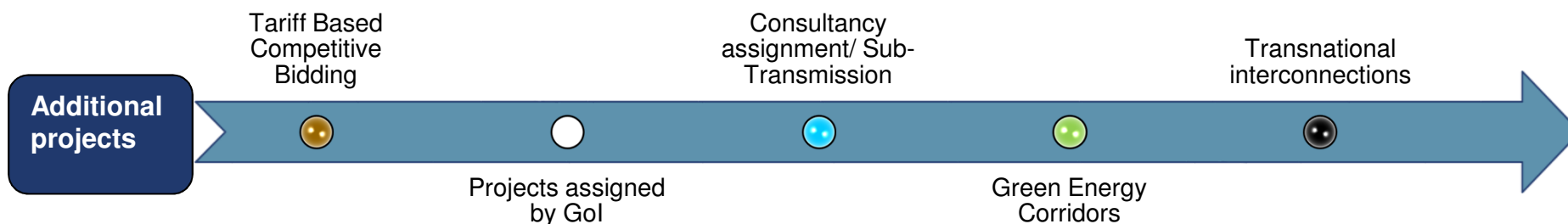
Projects/ Schemes



Capital Outlay

Investment Approved - ₹ 84,000 crore

Contracts awarded for Project Cost: ₹ 70,000 crore



Funding Programme

Investment planned in Debt-Equity ratio of 70:30

Requirement

Equity
 ₹ 28,000-30,000 cr
 through
 Internal
 Accruals



**Total
 Investment
 Programme of
 ₹ 100,000
 crore**

Debt
 ₹ 23,500 cr tied
 up.
 ₹ 46,500 –
 48,500 cr to be
 raised

Sources

Domestic Market


- Bonds
- Line of Credit from SBI

Foreign Currency

- Govt. guaranteed funds from IFIs like World Bank & ADB
- ECB including loans from ADB, IFC, Supplier's Credit

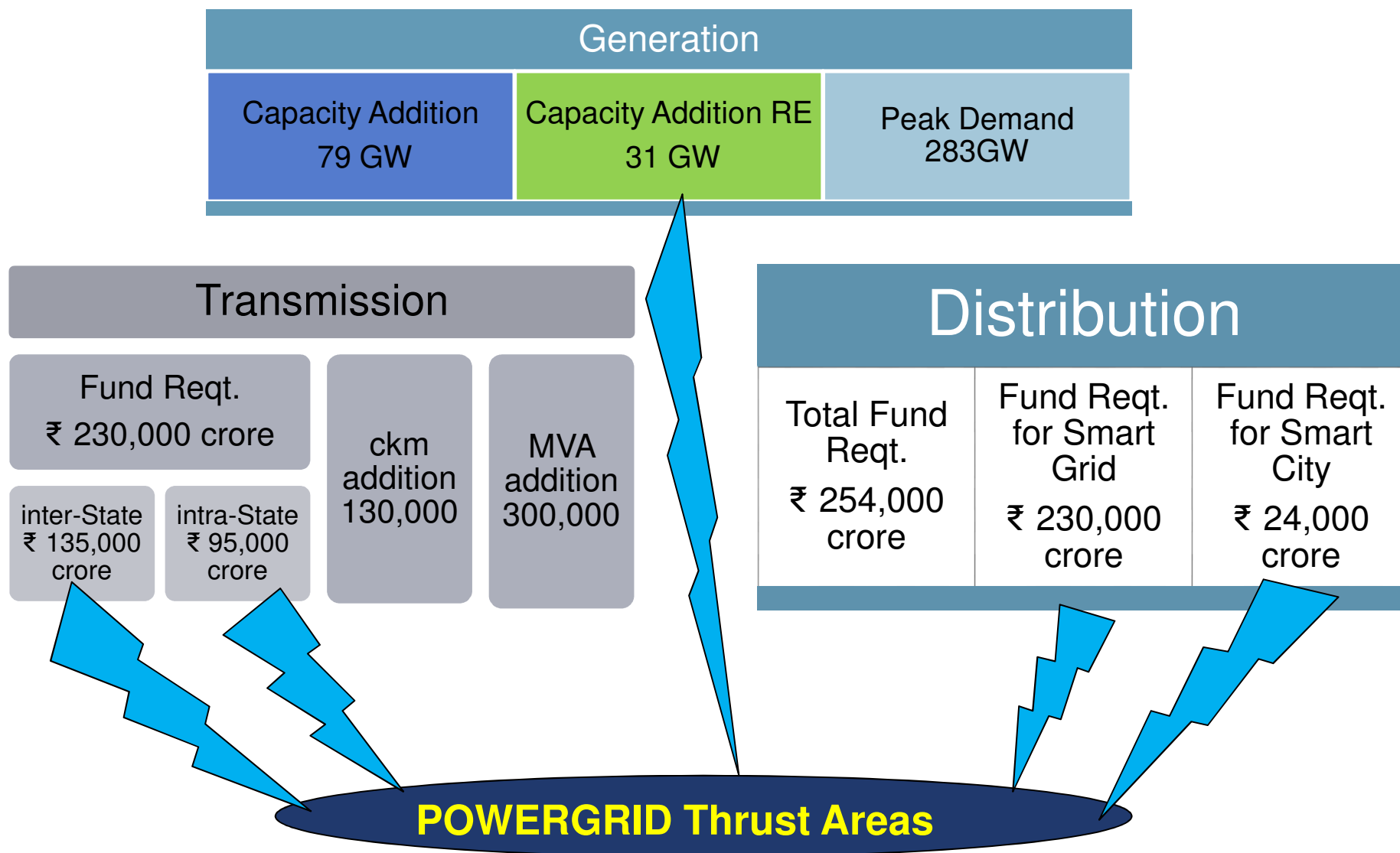
Mobilised during the year

- Bonds from Domestic Market ₹ 4,000 crore - coupon 9.3%
- Foreign Currency Commercial Loan from IFC: US\$ 270 million




XIII Plan: Power Sector Overview

XIII Plan: Power Sector Overview



Source: Draft National Electricity Plan, CEA, Feb-12, 18th EPS and POWERGRID Estimates



Updates on Upcoming Business Opportunities

Smart Grid/ City

Smart City (Puducherry)

- Work to commence in Aug'12 (interim arrangement)
- Phase-I expected by Sep'12 to demonstrate in limited area:
 - ✓ Advance Metering Infrastructure
 - ✓ Peak Load Management
 - ✓ Outage Management System

DPRs submitted

Firozabad (UP)/ Katra (J&K)

Pre-Feasibility Studies

Chitradurga (Karnataka)/ Tuticorin (TN)/ Gandhinagar (Jammu)/ Charar-e-Sharif , Gulmarg, Pahalgaoon (J&K)/ Bidhuna & Shikohabad (UP)/ Puri (Odisha)/ District/cities of Tripura, Chhatisgarh, Haryana, Punjab

CPSUs

CPSUs in Steel & Coal Sector have evinced interest for converting their establishments into **Smart establishments**



Smart Grid

- Unified Real Time Dynamic State Measurement (URTDMS) Techniques for efficient Grid Operation and Management integrating State Grid, ISTS, IPPs system

Green Energy Corridors- Grid Integration of Renewable Energy



GREEN ENERGY CORRIDORS Transmission Plan for Envisaged Renewable Capacity

₹ 42,000 crore investment in transmission for 40 GW

- ❖ Planning of intra-State/inter-State Transmission requirements
- ❖ Provide Mechanism to address Wind/Solar generation uncertainty
 - Forecasting of generation
 - Provision of flexible generations, reserves
 - Demand side Management
 - Energy Storage
 - Policy and Regulatory Framework

- ❖ Study Report on Green Energy Corridors
 - ❑ Submitted to MNRE/ CERC/ CEA/ Planning Commission/ MoP/ MoF
 - ❑ Inputs from- MNRE, Forum of Regulators, State Nodal Agencies, State Transmission Utilities and CERC
 - ❑ Transmission System classified into:
 - Connectivity Transmission System
 - Intra-State Strengthening
 - Inter-State Transmission System

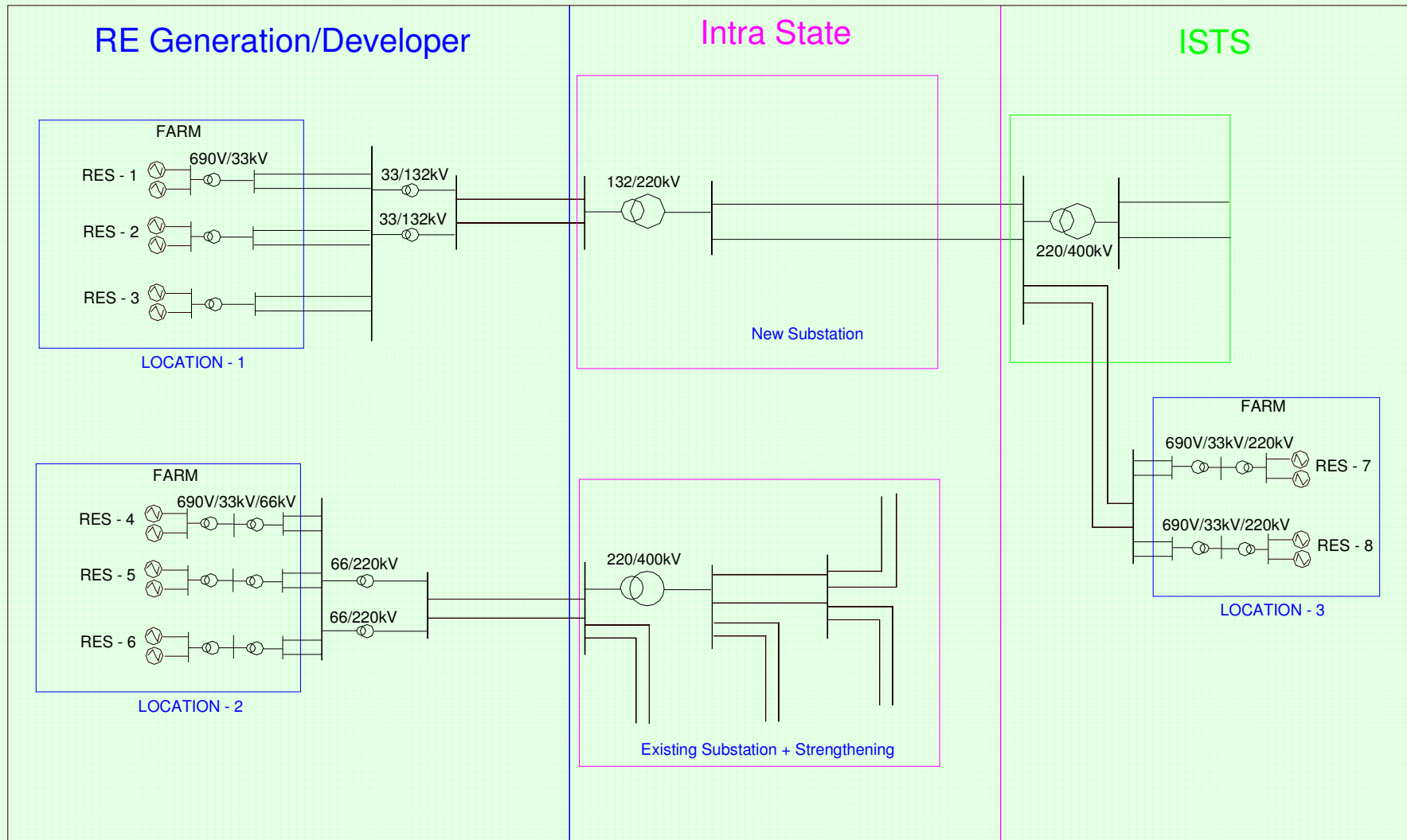
Intra-State TS Strengthening: ₹ 20,000 crore

Inter-State TS Strengthening: ₹ 22,000 crore

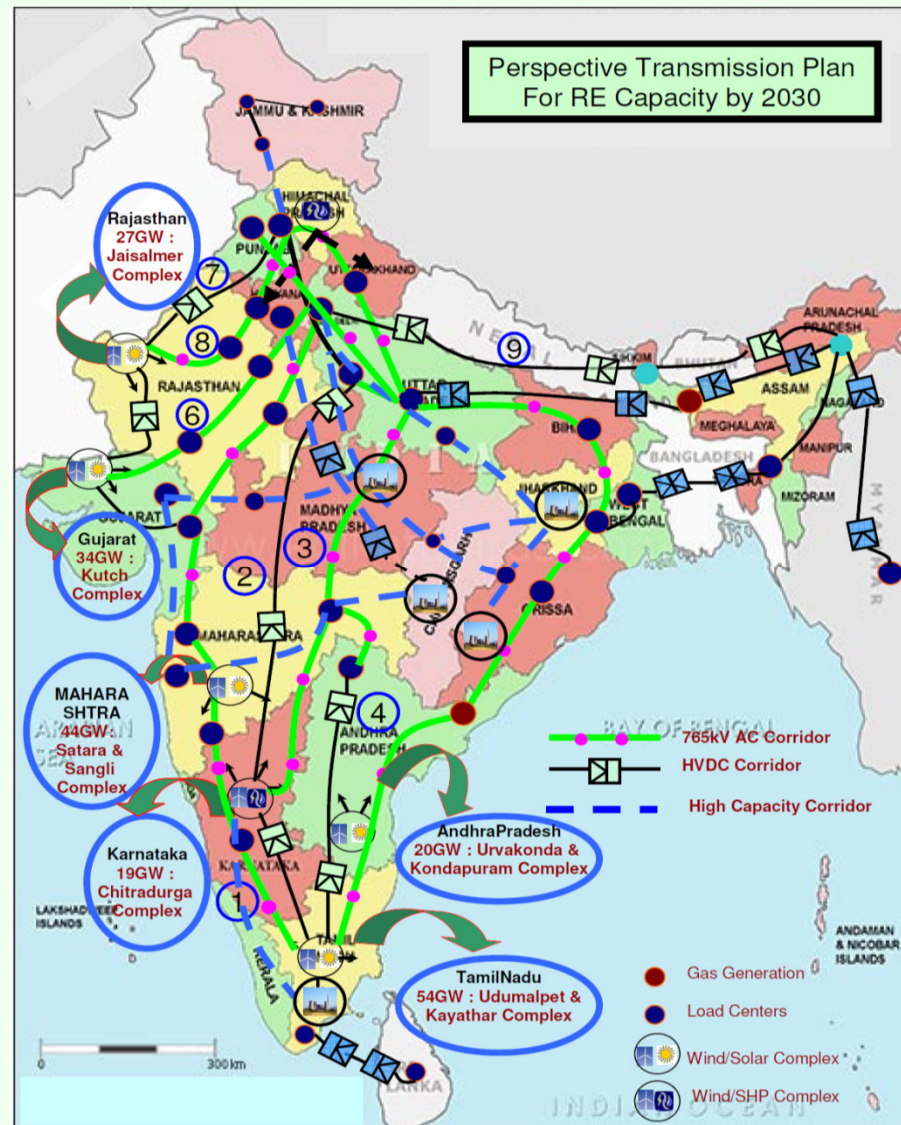
includes

- Other associated works like Energy Storage, Real Time Monitoring System etc.
- Establishment of Renewable Energy Management Center

Typical Connection Arrangement of RE Generation Farm with Grid



Green Energy Corridors- Grid Integration of Renewable Energy



Business Opportunities



Backward Integration

- Joint venture companies contemplated for manufacturing of material and equipment



JVs with States for intra-State Transmission

- Discussions under way with Bihar, Odisha, Jharkhand, Chhatisgarh, Manipur, UP, MP, Tamil Nadu, Karantaka

Distribution

- RGGVY and APDRP projects under XII Plan
- Management Control of DISCOMs



Energy Efficiency

- To tap Energy Efficiency Scheme spearheaded by BEE



R&M of T&D activities of CPSUs

- T&D activities : a non-core area for most CPSUs
- Dialogue initiated with CPSUs in Coal/Steel/Mining Sector
- Future Opportunities in Fertilizer & Petroleum Sectors, both for R&M and Project Consultancy for Sub-Station



Thank You