



**Transmitting Power
Transforming Lives**

**Investor
Presentation
May 23, 2022**

www.powergrid.in



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- Annual Accounts for FY 2021-22 have not been approved by the shareholders.

POWERGRID Overview

Major Highlights

Performance Highlights

Business Outlook

Sector Outlook

Award

POWERGRID Overview



A “Maharatna” CPSE

Govt. of India shareholding 51.34%

India’s 3rd Largest in terms of Gross Block¹

Subsidiary : 24 Nos, Joint Venture² : 10 Nos

Foot Prints in 23 countries

•Transmission Lines

- 1,72,437 ckm
- 1,352 nos

•Sub-stations

- ~4,74,457 MVA
- 265 nos

•IR Capacity

- 97,290 MW
- >85% of India’s Capacity

As on 31.03.2022

Credit
Ratings

Domestic

CRISIL
ICRA
CARE

‘AAA’

International

Moody’s – ‘Baa3’
S&P – ‘BBB-’
Fitch

At par with
sovereign

- **Completion of Raigarh – Pugalur–Trichur HVDC Scheme**
- **Incorporation of POWERGRID Energy Services Limited**
- **Asset Monetized worth ₹ 8370 cr**
- **Commissioned Six TBCB subsidiaries**
 - POWERGRID Ajmer-Phagi Transmission Limited,
 - POWERGRID Jawaharpur Firozabad Transmission Limited,
 - POWERGRID Varanasi Transmission system Limited,
 - POWERGRID Fatehgarh Transmission Limited,
 - POWERGRID Mithilanchal Transmission Limited,
 - POWERGRID Khetri Transmission System Limited.
- **Acquired Three TBCB subsidiaries**
 - POWERGRID Aligarh Sikar Transmission Limited,
 - POWERGRID Bhadla Transmission Limited,
 - POWERGRID Sikar Transmission Limited.

Performance Highlights

Project Execution

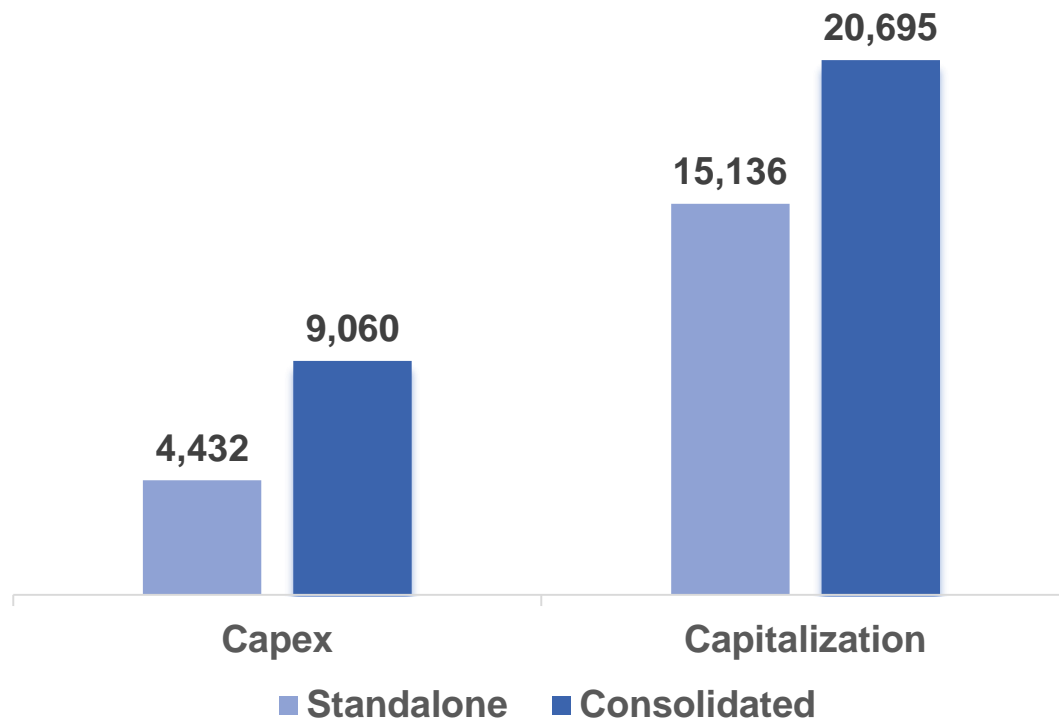
Operational Performance

Financial Performance

Other Business

Commercial Performance

FY22 Performance



Capitalization figures. exclusive of FERV (₹ in crore)

Q4FY22 Performance

| | | |
|--------------|----------------|------------|
| Standalone | Capex | ₹ 742 cr |
| | Capitalization | ₹ 2,144 cr |
| Consolidated | Capex | ₹ 1,872 cr |
| | Capitalization | ₹ 2,182 cr |

Addition in FY22

**Transmission
Line**

5,450 ckm

MVA capacity

43,564 MVA

Sub-Station

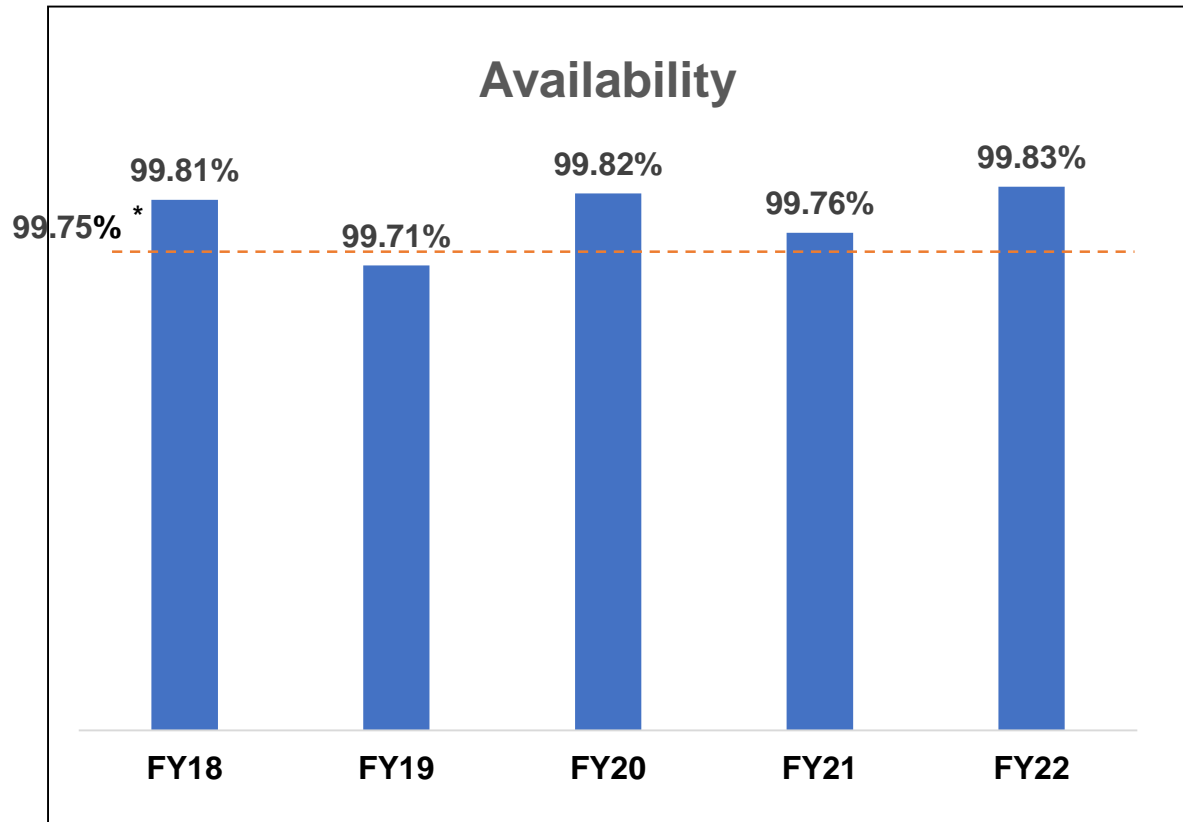
7 Nos

IR Capacity

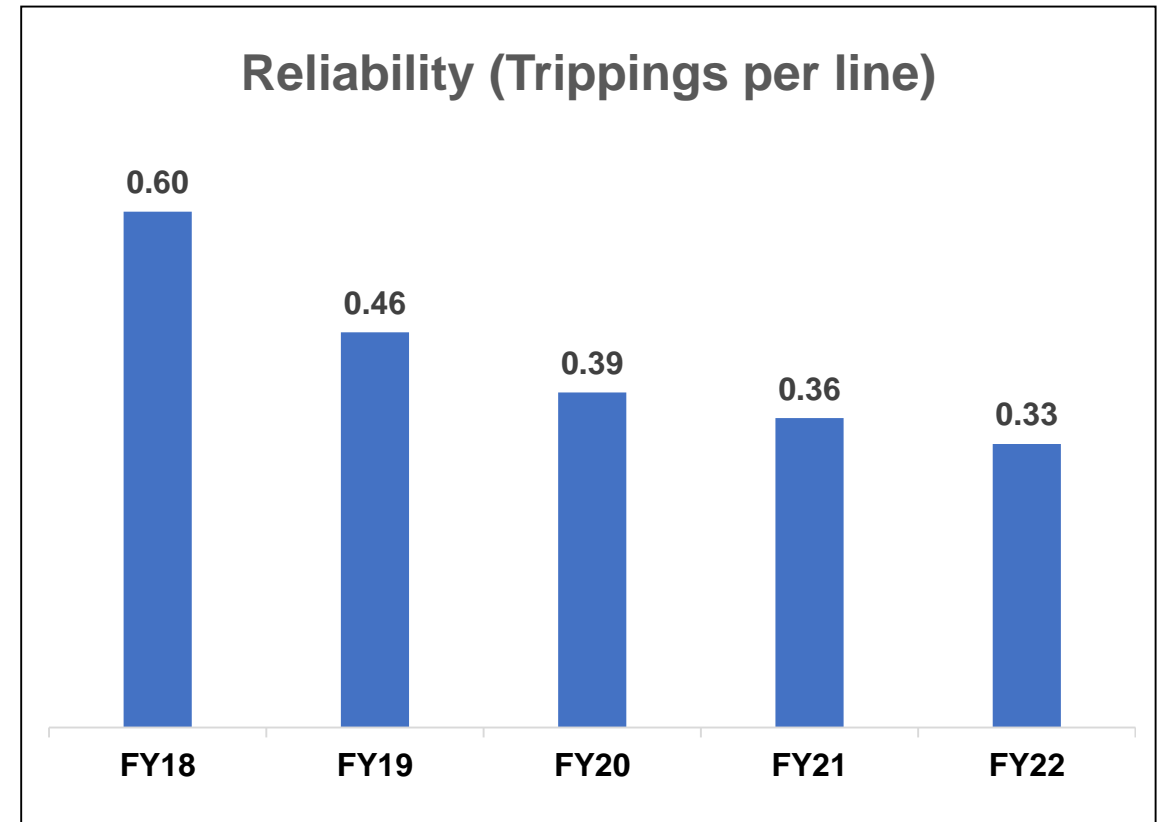
7200 MW

Consistent Track Record amid Covid disruption

Availability



Reliability (Trippings per line)



Achieved highest availability and lowest trippings per line in last five year.

Commissioning of World's first 400 kV Reactor with environment friendly Natural Ester oil

- Natural Ester Oil fluid is a vegetable seed-based fluid derived from renewable agricultural seed crops.
- Easily biodegradable thus leaving minimal environmental footprint.
- Lower risk of fire as compared to mineral oil due to higher fire point.



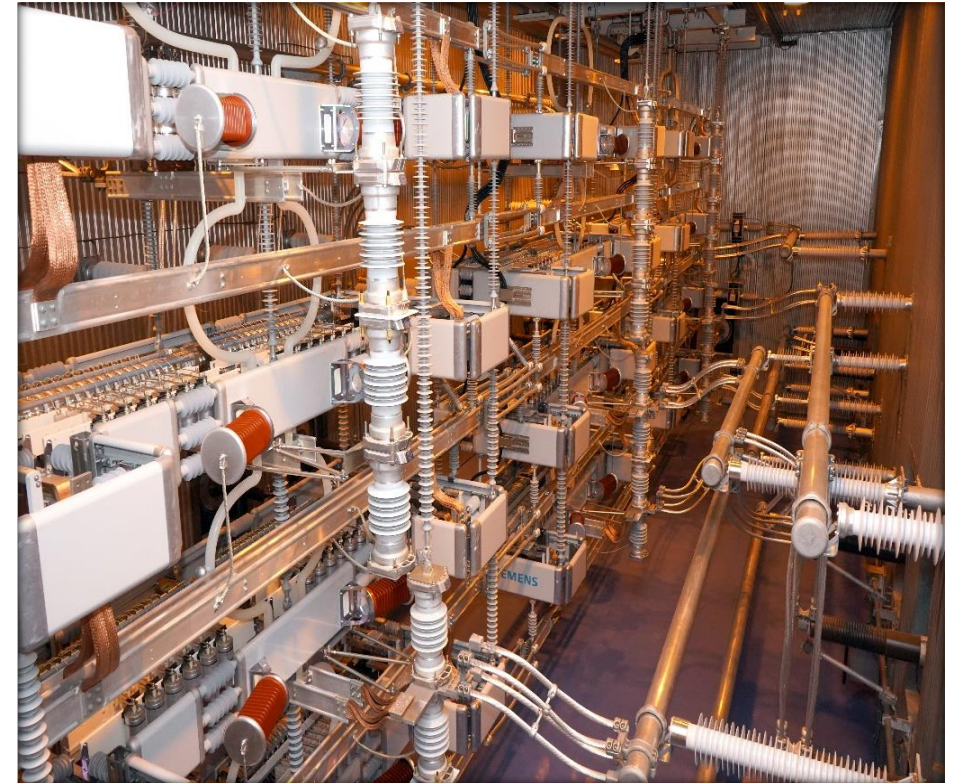
Line differential Protection for longer lines (> 200 kms)

- Pilot project successfully completed using multiplex communication link.
- Better selectivity of protection system in case of high resistance faults.
- Improved accuracy of fault location.

Refurbishment of old HVDC systems

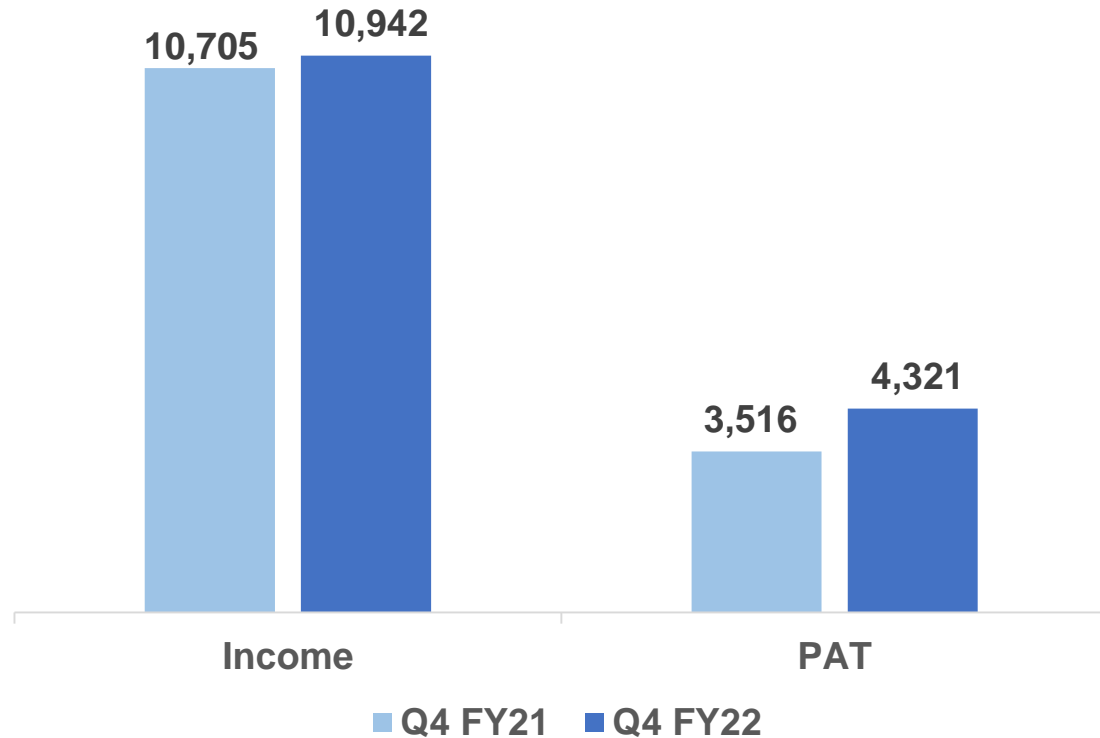
Refurbishment will ensure higher system availability of HVDC link, will provide reliability to the grid.

- 2X250 MW Vindhyachal back-to-back HVDC
- 1500 MW +/- 500 kV Rihand - Dadri bipole HVDC
 - Also tested for reverse power operation from Dadri to Rihand for the first time.

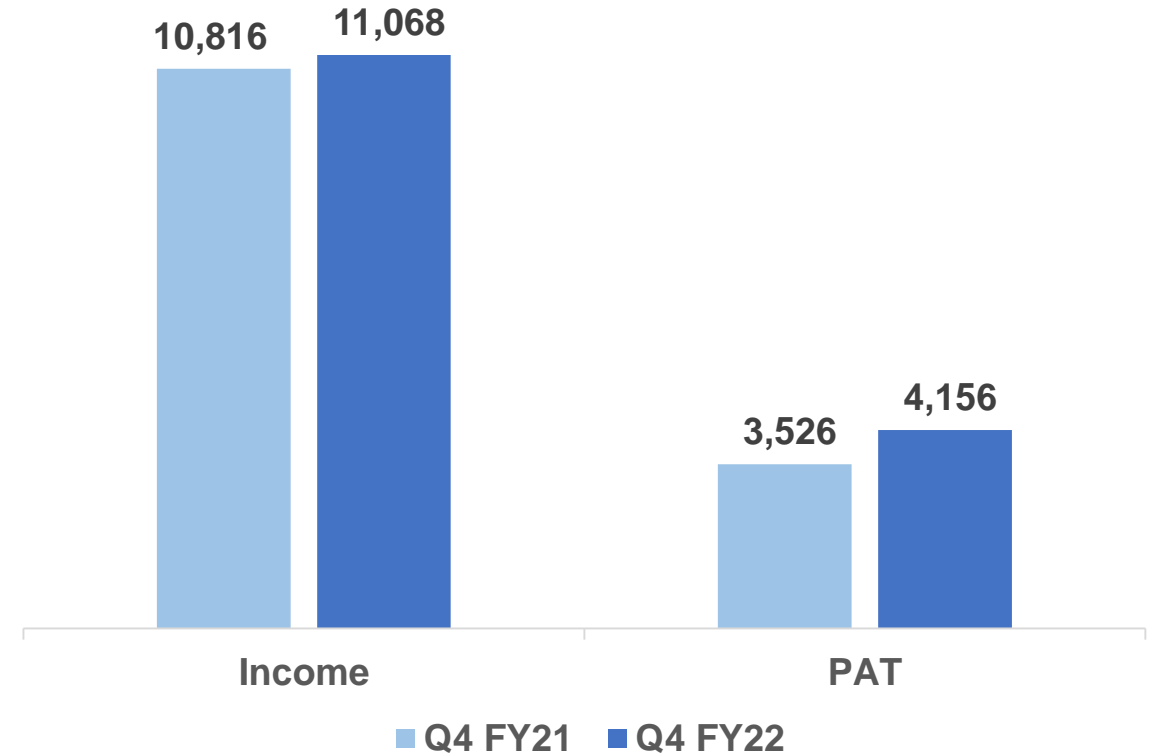


Financial Performance-Q4FY22

Standalone



Consolidated



(₹ in crore)

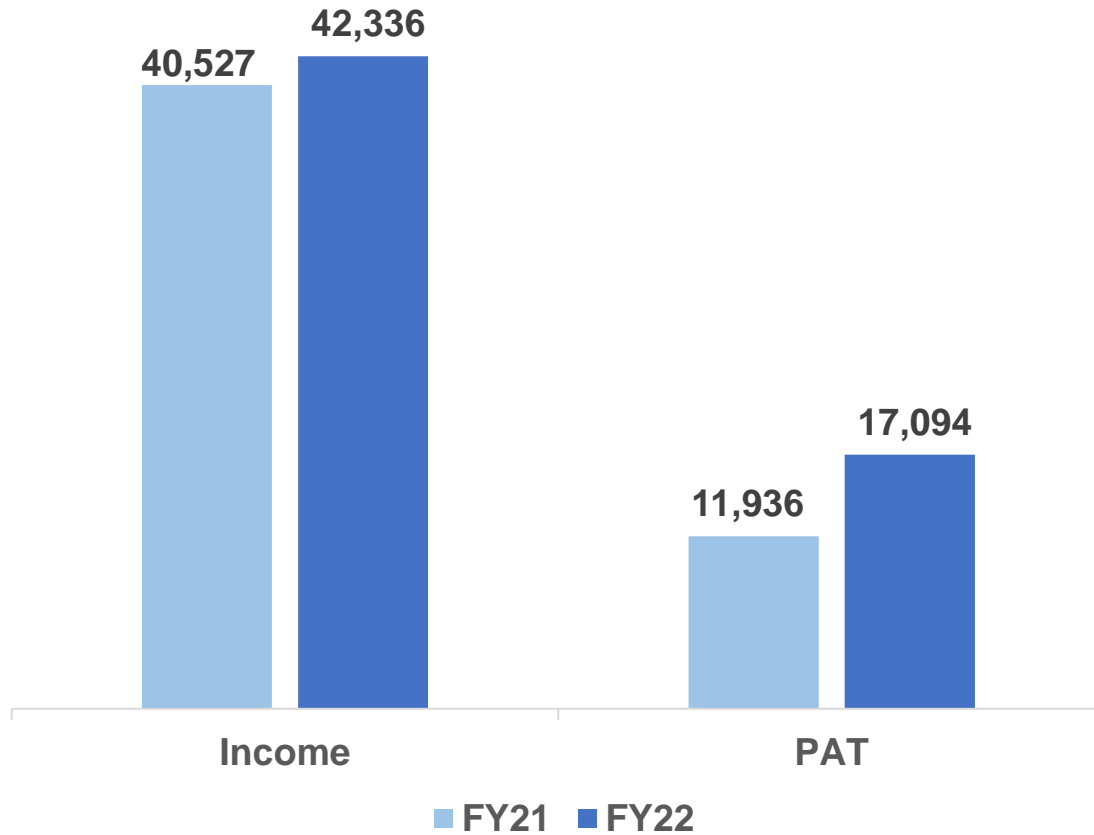
Corresponding quarter PAT growth of 23% on standalone & 18% on consolidated basis.

Financial Performance-Q4FY22

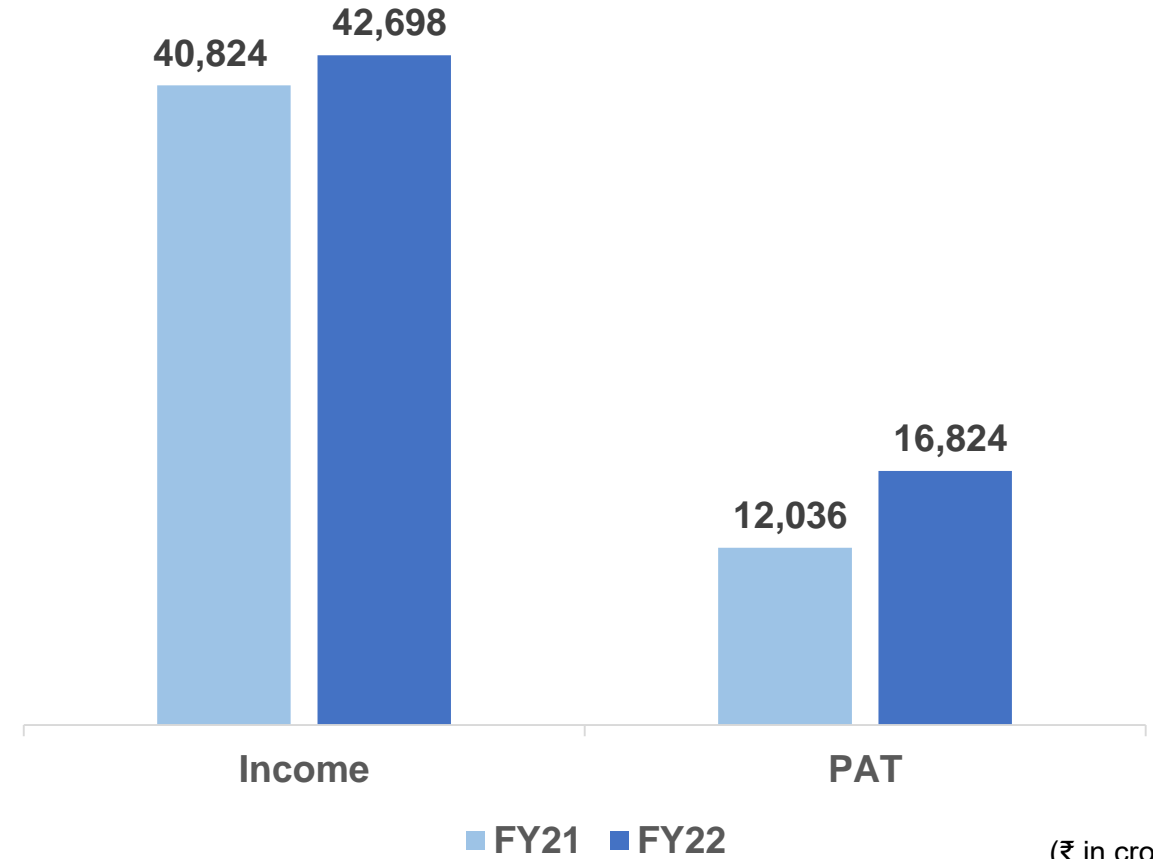
| Description | Standalone (Qtr ended) | | Growth | Consolidated (Qtr ended) | | Growth |
|--|---------------------------|----------|--------|-----------------------------|----------|--------|
| | 31.03.22 | 31.03.21 | (%) | 31.03.22 | 31.03.21 | (%) |
| Income | | | | | | |
| - Transmission Charges | 9,816 | 9,585 | 2% | 10,299 | 10,176 | 1% |
| - Consultancy – Services | 252 | 174 | 45% | 234 | 151 | 55% |
| - Telecom | 153 | 183 | -16% | 153 | 183 | -16% |
| - Other Income | 721 | 763 | -6% | 382 | 306 | 25% |
| Total Income | 10,942 | 10,705 | 2% | 11,068 | 10,816 | 2% |
| Operating Expenses (including movement in regulatory deferral balance other than DA for DTL) | 1,358 | 1,356 | 0% | 1,359 | 1,376 | -1% |
| Share of Net Profits of investments accounted for using Equity Method | | | | 49 | 54 | |
| EBITDA-Gross Margin | 9,584 | 9,349 | 3% | 9,758 | 9,494 | 3% |
| Depreciation | 3,188 | 3,025 | 5% | 3,279 | 3,112 | 5% |
| Interest | 1,928 | 2,103 | -8% | 1,917 | 2,008 | -5% |
| Exceptional Item | -591 | 0 | | -306 | 0 | |
| Tax (Net of DA for DTL) | 738 | 705 | | 712 | 848 | |
| Profit After Tax | 4,321 | 3,516 | 23% | 4,156 | 3,526 | 18% |

Financial Performance-FY22

Standalone



Consolidated



(₹ in crore)

Y-o-Y PAT growth of 43% on standalone & 40% on consolidated basis.

Financial Performance-FY22

| Description | Standalone (Year ended) | | | Consolidated (Year ended) | | |
|--|----------------------------|----------|------------|------------------------------|----------|------------|
| | 31.03.22 | 31.03.21 | Growth (%) | 31.03.22 | 31.03.21 | Growth (%) |
| Income | | | | | | |
| - Transmission Charges | 38,595 | 36,457 | 6% | 40,365 | 38,498 | 5% |
| - Consultancy – Services | 753 | 501 | 50% | 671 | 434 | 55% |
| - Telecom | 580 | 708 | -18% | 580 | 708 | -18% |
| - Other Income | 2,408 | 2,861 | -16% | 1,082 | 1,184 | -9% |
| Total Income | 42,336 | 40,527 | 4% | 42,698 | 40,824 | 5% |
| Operating Expenses (including movement in regulatory deferral balance other than DA for DTL) | 5,091 | 4,615 | 10% | 5,134 | 4,653 | 10% |
| Share of Net Profits of investments accounted for using Equity Method | | | | 78 | 215 | |
| EBITDA-Gross Margin | 37,245 | 35,912 | 4% | 37,642 | 36,386 | 3% |
| Depreciation | 12,551 | 11,712 | 7% | 12,872 | 12,039 | 7% |
| Interest | 8,032 | 8,581 | -6% | 7,857 | 8,215 | -4% |
| Exceptional Item | -3,760 | 1,079 | | -3,320 | 1,079 | |
| Tax (Net of DA for DTL) | 3,328 | 2,604 | | 3,409 | 3,017 | |
| Profit After Tax | 17,094 | 11,936 | 43% | 16,824 | 12,036 | 40% |

(₹ in crore) 15

Financial Performance

| Description | Standalone | | Consolidated | |
|------------------------------------|----------------|----------------|----------------|----------------|
| | as on 31.03.22 | as on 31.03.21 | as on 31.03.22 | as on 31.03.21 |
| Gross Fixed Assets (₹ crore) | 2,49,954 | 2,34,284 | 2,62,726 | 2,41,498 |
| Capital Work-in-Progress (₹ crore) | 7,659 | 18,316 | 13,299 | 25,216 |
| Debt (₹ crore) | 1,29,365 | 1,41,251 | 1,29,365 | 1,41,410 |
| Net Worth (₹ crore) | 76,152 | 69,579 | 76,247 | 69,936 |
| Earning Per Share (₹)# | 24.51 | 17.11 | 24.12 | 17.26 |
| Book Value per Share (₹)# | 109.17 | 99.75 | 109.31 | 100.26 |
| Key Financial Ratios | | | | |
| Debt : Equity | 63:37 | 67:33 | 63:37 | 67:33 |
| Return on Net Worth | 22.45% | 17.15% | 22.07% | 17.21% |

EPS and Book value have been adjusted for Bonus Issue

Other Key Financial Information

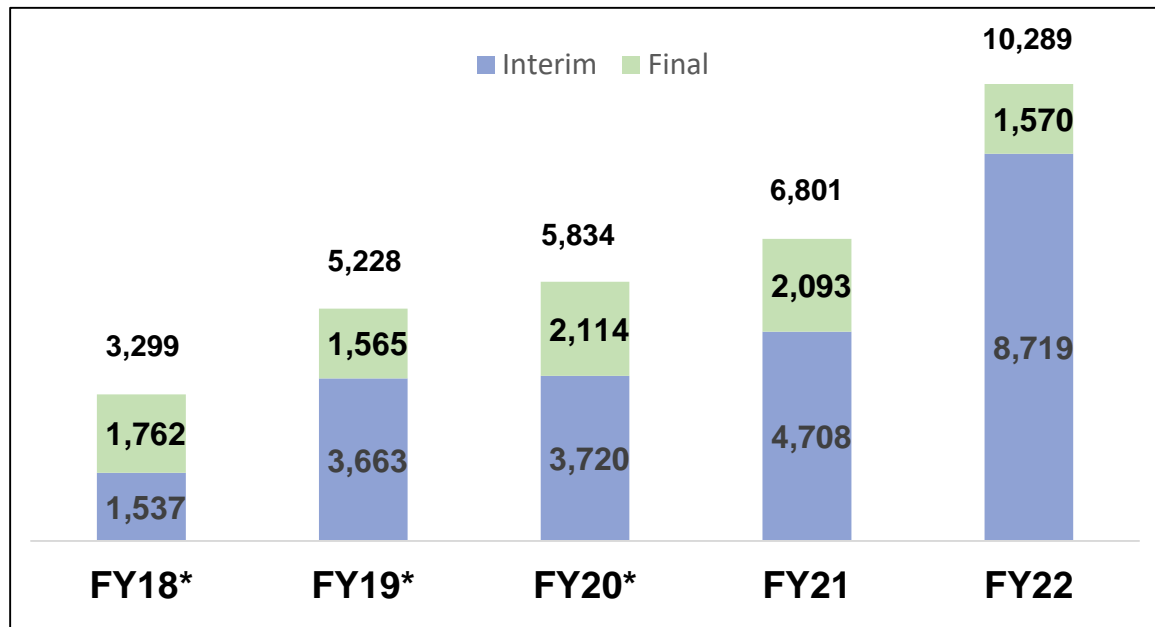
| Description | FY22 | FY21 |
|----------------------------------|-------|-------|
| Surcharge Income (Consol.) | 375 | 744 |
| Incentive (Consol.) | 448 | 481 |
| Int. from Subsidiaries & JVs* | 885 | 1,067 |
| Int. on differential tariff | 481 | 2 |
| Dividend from JVs* | 68 | 107 |
| Dividend from Subsidiaries* | 436 | 547 |
| Dividend from Associates/Others* | 160 | 9 |
| CSR Expenses* | 271 | 240 |
| Trade Receivable (Consol.) | 9,475 | 8,629 |
| FERV (Gross Block) | 533 | (439) |
| Equity in TBCB- Operational* | 2,811 | 3,428 |
| Equity in TBCB- U/ Constn.* | 662 | 588 |
| Short Term Loan | 5,300 | 1,800 |

* On Standalone basis (₹ in crore)

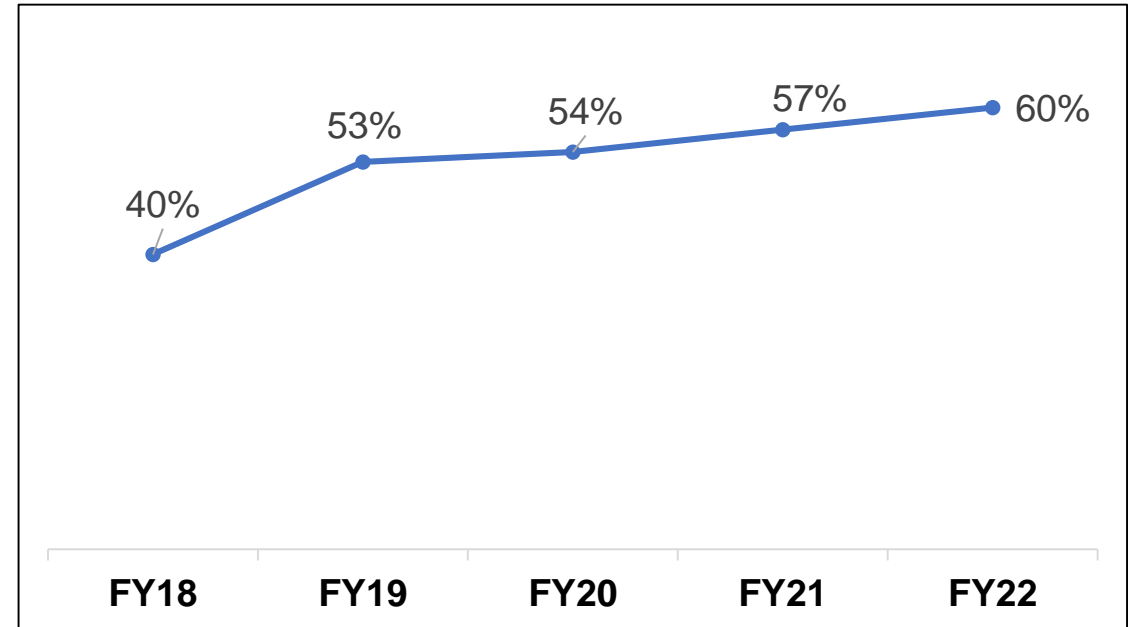
Shareholders Return

Consistent Dividend payout

Dividend (in ₹ crore)



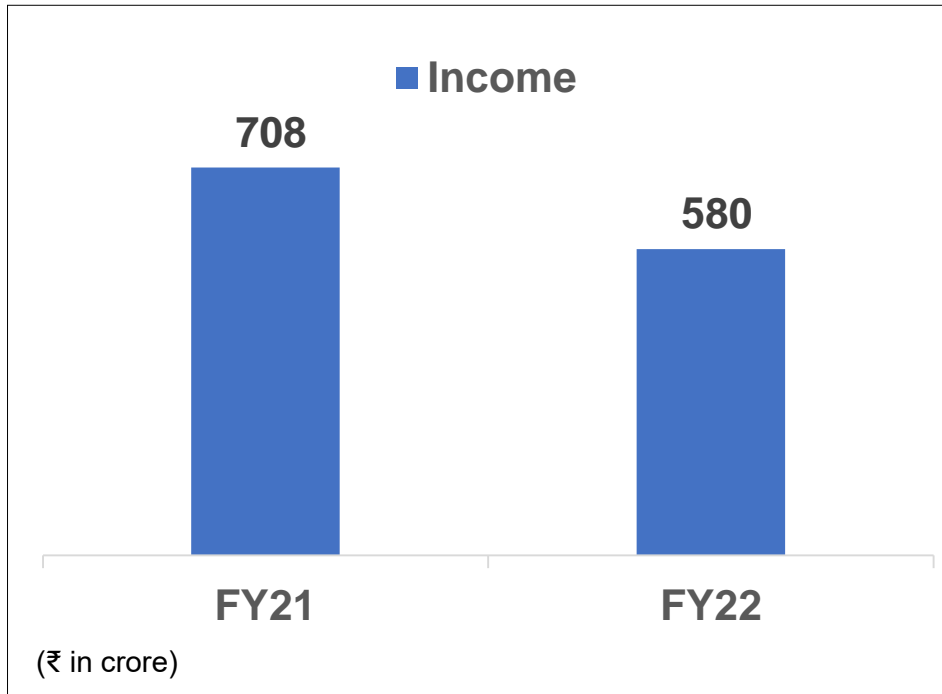
Dividend payout as % of PAT



Bonus share issued in the ratio 1:3

* Dividend for the year, includes dividend tax
Final dividend for FY 2022 - subject to approval of shareholders

Incorporation of POWERGRID Teleservices Limited



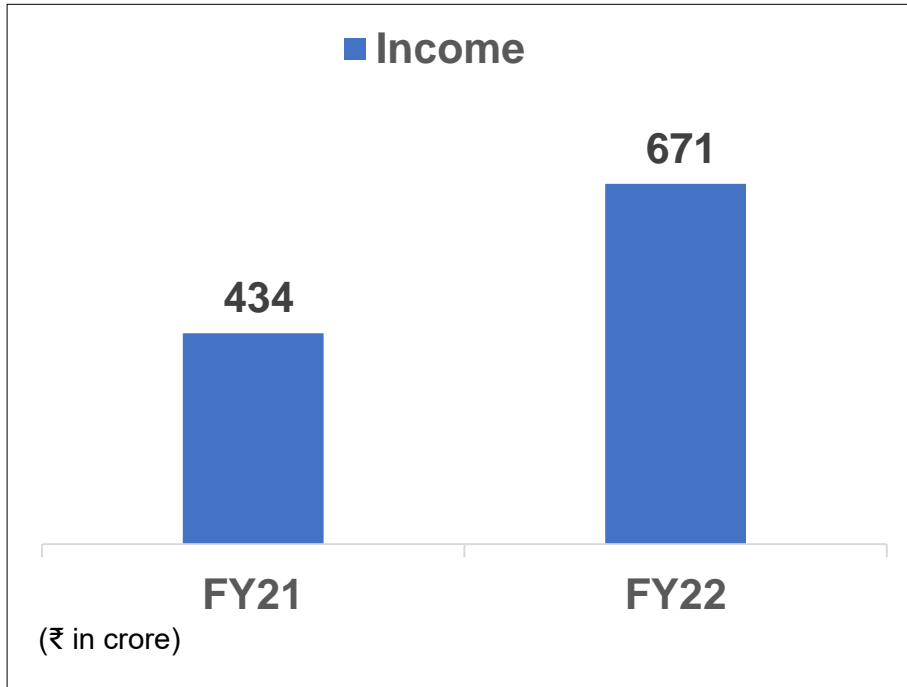
- 92 new customers added in FY22.
- 99.99% Backbone Availability.
- 458 PoP and 780 PoI locations.
- ~74,000 kms optical fiber network.

Point of Presence(PoP), Point of Interface(POI)

- Expansion into Data Centre Business.
- Pilot Data Centre at Manesar(Haryana).
- International Long Distance (ILD) bandwidth business.

Agreements signed for leasing OPGW fiber in West Bengal, Jharkhand, Assam, Bihar to enable new business opportunity with reliability.

Consultancy Performance



International

- Foot-print 02 new countries viz. Moldova & Guinea.
- 06 new orders in FY22.
- 15 Ongoing assignments.
- 26 EOIs submitted.

Domestic

- 21 new orders in FY22.
- 68 assignments in hand.

- **Agreement with AFRICA-50**

JDA signed for works in Kenya under PPP framework.

- **Moldova (East Europe)**

Emerged most preferred bidder as “Project Management consultant”.

- **Nepal**

Signed shareholder agreement for Joint Venture with Nepal Electricity Authority (NEA).

Smart Metering

- **Potential Opportunity : 25 cr meters, ~ ₹ 1.5 L cr (incl. GBS : ₹ 22,500 cr).**
- **Initiated procurement process for End-to-End Smart Metering Solution for 1 cr Smart meters.**
- **Discussion with the States underway for MoU route.**

Battery Energy Storage Systems(BESS)

- **BESS envisaged to be significant element of the future grid.**
- **SECI invited proposal for setting up ISTS-connected Pilot Project on BOOT basis.**
- **Aggregate storage capacity of 1000 MWh (500 MW x 2 hrs).**
- **Consultant appointed.**

Solar Power Generation

- 5 locations having potential of installed capacity of about 200MWp identified.
 - Activities for setting up POWERGRID's first commercial Solar PV Project of 105 MWp at Nagda.
 - Other locations are Aurangabad (Maharashtra), Durgapur (W.B.), Bina (M.P.), Itarsi (M.P.)

Rooftop Solar Systems

- Established Capacity – 7.6 MWp at 110 locations.
- Under Implementation and Planning – 7.3 MWp.
- Energy generated is used for captive consumption.

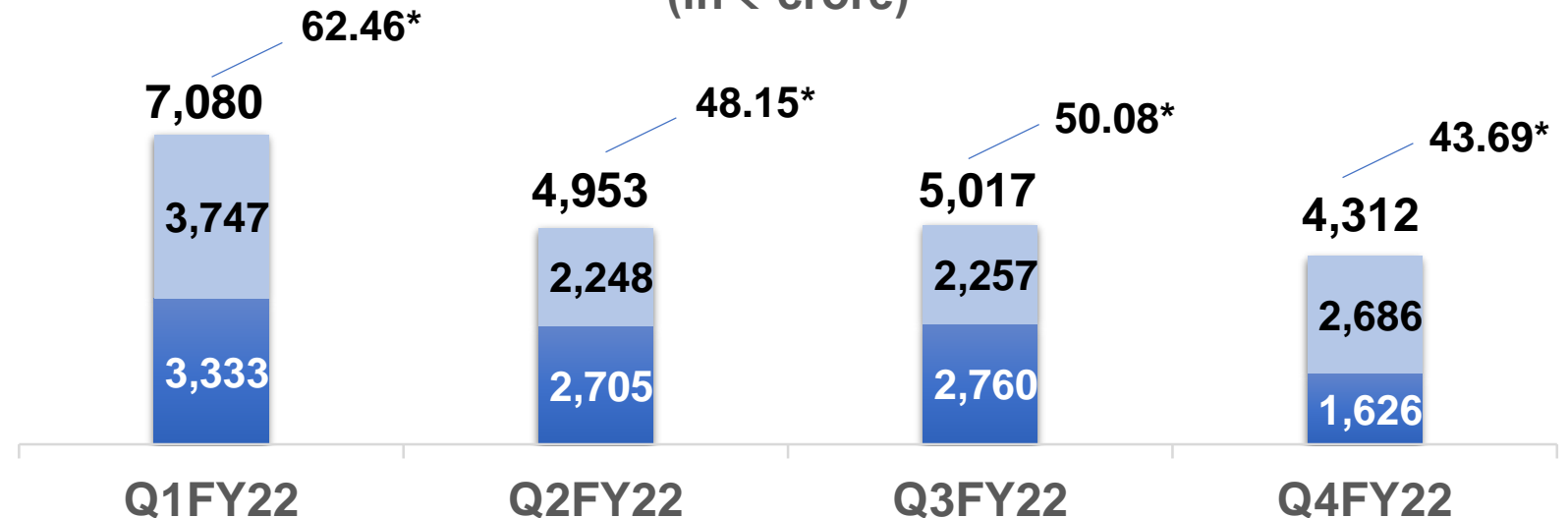
- POWERGRID released its **7th Sustainability Report 2019-21**.
- Prepared in accordance with Global Reporting Initiative (GRI) Standards “**Core**”.
- Duly validated by Independent Accredited Assurance Provider following International Standards like Accountability’s **AA1000AP (2018) & AA1000SES (2015)** UK standards.
- The report is available on the company’s website <https://www.powergrid.in/sustainability-report>.

Billing
₹ 36,023 cr

Realization
₹ 35,295 cr

%age realization
97.98%

Outstanding dues (at end of Qtr) (in ₹ crore)



* Receivable (days' billing) ■ O/s > 45 days ■ O/s < 45 days

Major Dues: J&K, Uttar Pradesh, Tamil Nadu, Maharashtra

FY23 Capex Plan

₹ 8,000 crore

Work in Hand* : ₹ 53,300 cr

Ongoing Projects
₹ 6,700 cr

New Projects
₹ 31,800 cr

TBCB Projects
₹ 14,800 cr

* At end of FY22

**Upcoming
Opportunities
under TBCB**

₹ 31,850[#] cr

**ISTS
Projects**

**Under Bidding
22 projects**

₹ 21,200 cr

**Bidding to be
initiated
10 projects**

₹ 8,600 cr

**InSTS
Projects**

**Under Bidding
2 projects**

₹ 2,050 cr

[#] NCT cost estimate

Drivers of Growth

24x7 clean and affordable power to be available to all

Increased share of RE in installed capacity and consumption

Decarbonisation of transport and adoption of electric mobility

Shifting demand patterns

Promotion of Grid Energy Storage and Wind Energy

Smart Metering for all type of customers

Gol thrust on Policy and Regulatory Reforms

**India's climate change
action at COP26**

Target by 2030

**500GW Non-fossil
energy capacity.**

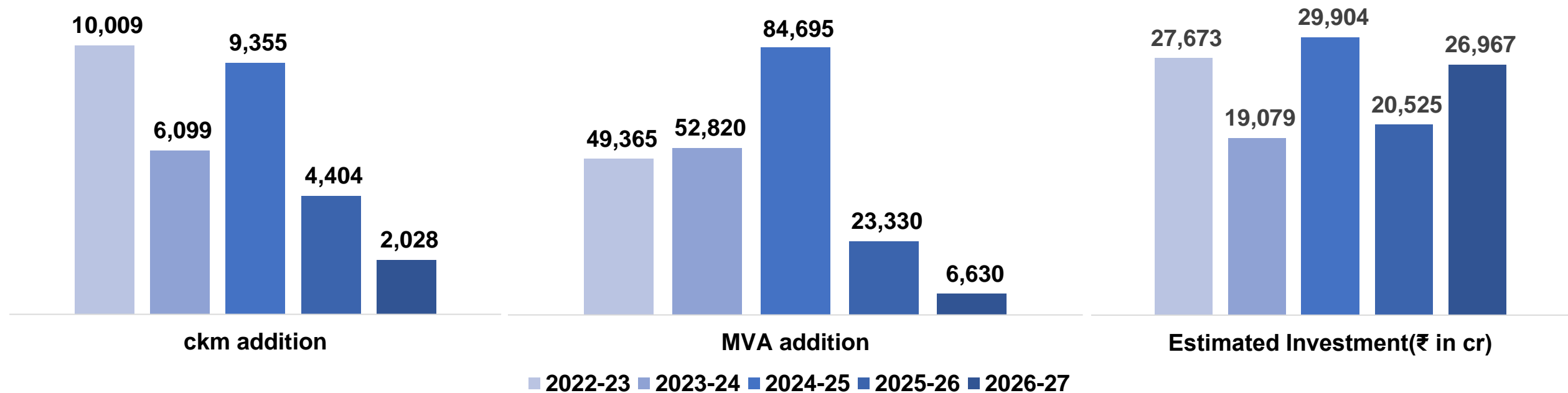
50% energy from RE.

Strong Growth Projected

| | FY22 | FY27 | FY30 |
|---|-------|------|------|
| Installed Capacity(GW) | 399 | 568 | 838 |
| Installed Capacity–RE (GW) | 109.8 | 225 | 450 |
| Peak Demand(GW) | 203 | 299 | 340 |
| Energy Requirement(BU) | 1566 | 2047 | 2325 |
| Per-capita Energy consumption(Units) | 1208* | 1616 | 2100 |

* FY20 provisional

ISTS expansion plan 2026-27



As per CTUIL Rolling Plan 2026-27

Awards



| | |
|---|--|
| S&P Global Platts Top 250 Energy Company Rankings® 2021 | <p>POWERGRID continues to be 'Fastest Growing Electric Utility in Asia Pacific' for the eighth successive year since 2014.</p> <p>Positioned as the 9th Fastest Growing Electric Utility globally.</p> |
| POWERGRID - a Great Place to Work® | <p>Ranked 68th among India's 100 Best Companies to Work For 2021.</p> <p>India's Best Employers among Nation-Builders 2021.</p> |
| FORTUNE INDIA 500 | <p>Ranked 44th among FORTUNE 500 India rankings for FY2021.</p> <p>Ranked 44th for both FY 2021 & 2020.</p> |
| Dun and Bradstreet PSU Award 2021 | <p>Power Transmission category.</p> |
| World CSR Congress | <p>Conferred "Best CSR Practices Award" at the 11th edition of its "World CSR Congress & Awards ceremony".</p> |
| The Economic Times | <p>Recognised among the "Best Organisations for Women 2022".</p> |

Thank You