

Power Grid Corporation of India Ltd.
Fastest Growing Electric Utility in Asia

Q1 FY 2017-18
Investor Presentation

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Recent Highlights

POWERGRID Today

- Performance (Q1FY18)
- Financial & Project Execution
 - Operational
 - Consultancy & Telecom
-

Business Outlook & Way Forward

Accolades

Recent Highlights

Projects Completed/ Commissioned in FY18

- ✓ ~ ₹ 3,542 crore
 - Capitalised during Q1FY18
- ✓ ~ ₹ 3,900 crore
 - Completed in Jul'17

Assets added
during Q1FY18

1,646 ckm

3 Sub-stations
4,130 MVA X-fmn Capacity

Major Elements commissioned/ capitalized during Q1FY18

- **Transmission Lines**

- 765kV D/C Wardha-Nizamabad
- 400kV D/C Kakrapar-Vapi & Kakrapar-Navsari
- 400kV D/C Kanpur-Lucknow
- 132kV Pasighat-Roing-Tezu

- **Substations**

- 765kV Nizamabad, 132kV Roing, 132kV Tezu,

**₹ 6,333
crore**

- **Capex during Q1FY18**

**~ ₹ 3,200
crore**

- **Contracts Awarded in Q1FY18**

**₹ 1,100
crore**

- **Investment Approvals in Q1FY18**

Yet Another Make in India Initiative



National High Power Test Laboratory

- 20% each shareholding JV of POWERGRID, NTPC, NHPC, DVC & CPRI
- Phase-I Project Cost: Rs.380 crore (Debt-Equity: 60:40)
- POWERGRID Investment: ~ Rs.30 crore
- High Voltage Laboratory under Phase-I: Comml. operation w.e.f. 1st July, 2017
- Medium Voltage Laboratory - expected by Apr'18

Benefits:

- Reduced Time & Cost for agencies in India, SAARC, ASEAN & Middle East
- Reduced dependency on foreign laboratories
- Self Sufficiency & an Opportunity to make India, an Asian Testing hub

POWERGRID Today

POWERGRID Today

A 'NAVRATNA'
ENTERPRISE

CENTRAL
TRANSMISSION
UTILITY

LISTED
COMPANY
since 2007

GOVT.
SHAREHOLDING
57.90%

PAYING
DIVIDEND SINCE
1993-94

Market
Capitalization
₹ 117,318 crore¹

~ 85%

- ISTS Transmission network owned by POWERGRID

141,920 ckm; 224 S/S
& 295,980 MVA

- Transmission Lines & substations owned by POWERGRID

10

- Wholly owned TBCB subsidiaries

“Excellent”

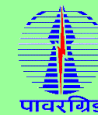
- Rating by Gol since signing of its first MoU in 1993-94

20

- Footprints outside India

Performance in Q1FY18 (Apr17-Jun17)

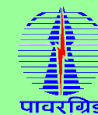
Performance- Financial (Q1FY18)



(₹ in crore)				
Description	Year ended	Quarter ended		Growth (%)
	31.03.2017	30.06.2017	30.06.2016	
Revenue				
- Transmission Charges	24,630	6,830	5,889	16%
- Consultancy Income: Services	582	210	120	75%
- Telecom	504	141	111	27%
- Other Income	865	209	139	
Total Income	26,581	7,390	6,259	18%
-Operating Expenses(#)	3,045	912	700	
EBITDA-Gross Margin	23,536	6,478	5,559	17%
Depreciation	7,663	2,132	1,757	
Interest	6,304	1,762	1,518	
Tax	2,049	532	482	
Profit after Tax	7,520	2,052	1,802	14%

(#) Operating Expenses of Q1FY18 includes ₹ 86 crore towards Pay Revision of employees w.e.f.. 1.1.2017.

Performance – Financial (Q1FY18)



	(₹ in crore)		
	As on 31.03.2017	As on 30.06.2016	As on 30.06.2017
Gross Fixed Assets	1,49,730	1,23,799	1,53,272
Capital Work-in-Progress	38,942	48,831	43,118
Debt	1,17,198	1,09,789	1,22,547
Net Worth	49,807	45,605	51,864
Earning Per Share (₹)	14.37	3.44#	3.92#
Book Value per Share (₹)	95.20	87.17	99.14
Key Financial Ratios			
Debt : Equity	70:30	71:29	70:30
Return on Net Worth	15.10%	3.95%#	3.96%#

Accounts have been prepared in accordance with Ind AS for FY17. Financial Results for FY16 have been restated accordingly to make them comparable.

Not Annualized

Performance (Q1FY18) - Financial

Billing & Realization

Billing

₹ 6,406 crore

Realization

₹ 6,142 crore

%age realization

95.9%

As on 30.06.2017

Total Outstanding

~ ₹ 3,042 crore
(43 days billing)

**Transmission Outstanding
(beyond 60 days)**

~ ₹ 654 crore
(9 days billing)

**Billed but not outstanding
(<60 days allowed as per CERC)**

~ ₹ 2,388 crore
(34 days billing)

Tripartite Agreement signed by 26 States; Others in Progress

Status of TBCB Projects (Latest)

Participation
25 Projects



Success
10 (40%)



Cost-wise
[ALTC]
₹ 2,141 crore

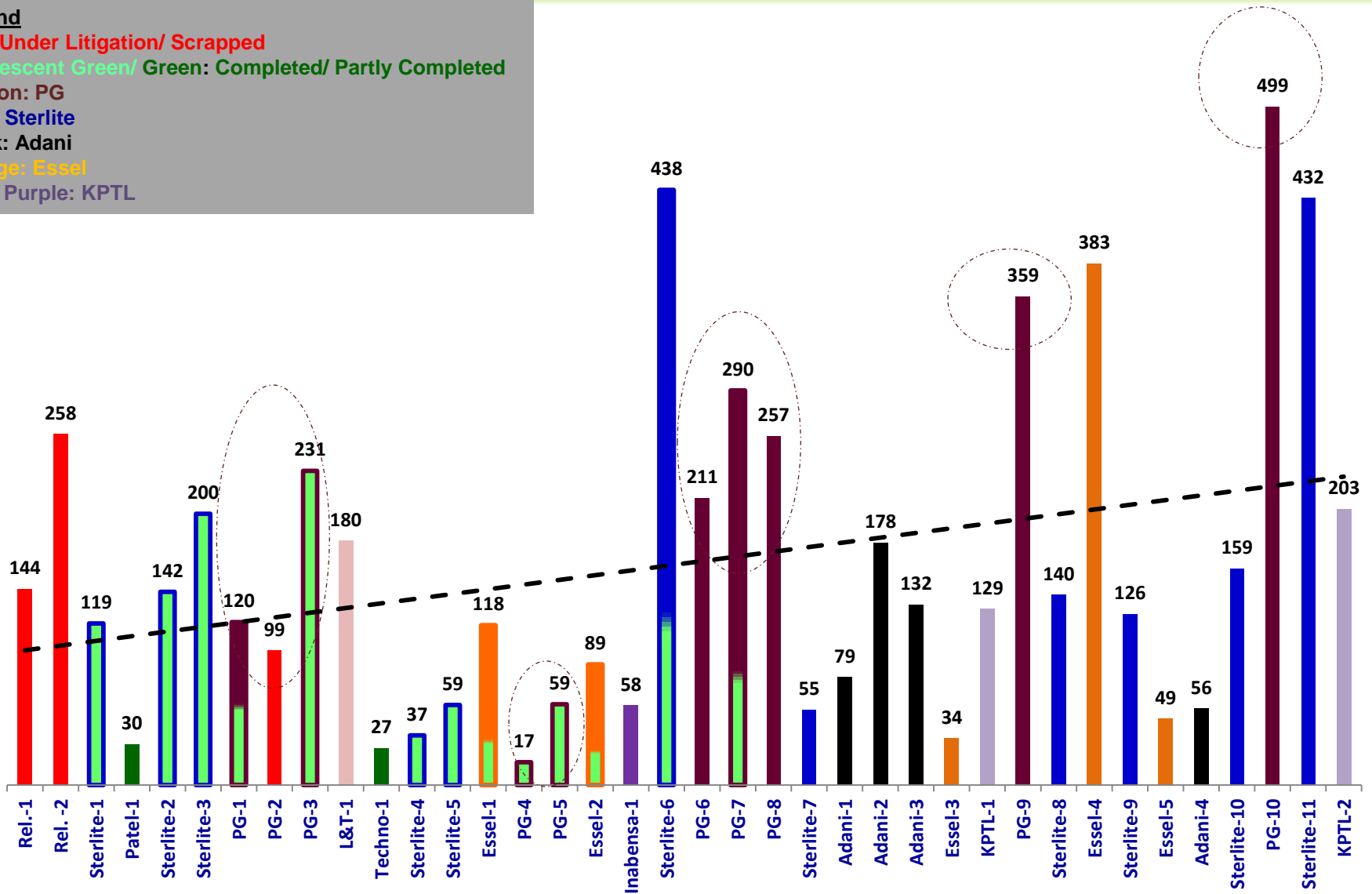
SPV & Date of Incorporation	Completion	ALTC (₹ in cr.)	Current Status
POWERGRID NM Trans. Ltd. (Mar-12)	Oct-16	99	Construction under Progress. Partly commissioned.
POWERGRID Vizag Trans. Ltd. (Aug-13)	Aug-16	231	Commissioned
POWERGRID Unchahar Trans. Ltd. (Mar-14)	Sep-16	17	Commissioned
POWERGRID Kala Amb Trans. Ltd. (May-14)	Jul-17	59	Commissioned on 12.07.2017
POWERGRID Jabalpur Trans. Ltd. (Feb-15)	Jul-18	211	Construction under Progress.
POWERGRID Warora Trans. Ltd. (Apr-15)	Nov-17	290	Construction under Progress. Partly (Gdr-Jbp pool-31.5.17) commissioned
POWERGRID Parli Trans. Ltd. (Apr-15)	Jan-18	257	Construction under Progress
POWERGRID Southern I/C Trans. Ltd. (Dec-15)	Apr-19	359	Construction under Progress
Medinipur – Jeerat Trans. Ltd. (Mar-17)	Jul-20	499	Construction under Progress
POWERGRID Vemagiri Trans. Ltd. (Apr-12)	---	120	Project discontinued

Participation in TBCB: Frequency & Status



Legend

- Red: Under Litigation/ Scrapped
- Fluorescent Green/ Green: Completed/ Partly Completed
- Maroon: PG
- Blue: Sterlite
- Black: Adani
- Orange: Essel
- Light Purple: KPTL



Assets as on Jun 30, 2017

- Trans. Lines: 1093 Nos. - 140,723 ckm
- Sub-stations: 222 Nos. - 293,673MVA

Performance during Q1FY18 (Apr17-Jun17)

- Availability: 99.82%
- Reliability: 0.25 Trippings/ line

POWERGRID Standalone Assets

Consultancy & Telecom – Q1FY18

Income from Consultancy: ₹ 210 crore

75% increase over Q1FY17

- **Domestic**
 - 9 New Orders in Q1FY18
 - > 90 Assignments in Hand
- **International**
 - 3 New Orders [NEA (Nepal), FEA (Fiji) & CASA (IFC)]
 - 14 Assignments in Hand – Nepal, Bhutan, Fiji, Bangladesh, CASA

Income from Telecom: ₹ 141 crore

27% increase over Q1FY17

- 38 New Orders (Govt/ Pvt) in Q1FY18
- Backbone Availability 99.99%
- Telecom Tower Business being explored

Business Outlook & Way Forward

POWERGRID Outlook (as on Jun'17)



Ongoing Projects	approx. ₹ 1,02,000 crore
New Projects	approx. ₹ 4,000 crore
TBCB Projects	approx. ₹ 18,000 crore (as per Empowered Committee Estimate)
Total Works in Hand	approx. ₹ 1,24,000 crore
Expenditure done (CWIP)	approx. ₹ 43,000 crore
Balance Capex	approx. ₹ 81,000 crore (next 3-3.5 yrs)
Capex Plan for FY18	approx. ₹ 25,000 crore

Clear visibility of Works in Hand for next 4-5 years



- Capex Plan of ~ ₹ 81,000 crore over next 3-3.5 years
- Works in Hand ~ ₹ 124,000 crore (to be capitalized in next 4 years)
- TBCB Projects in ISTS worth ~ ₹ 4,700 crore in pipeline
- 30GW Wind; 20GW Solar UMPP and 7GW Nuclear integration into the Grid
- Project Management to continue to be main Focus Area

Increasing Thrust on Intra-State & Railway works



- Part-II of Bihar Grid (~₹ 1700 crore) to commence shortly
- Discussions ongoing with other States
- Positive Impact of UDAY to drive investments by States in Intra-State transmission
- Railway Electrification Works – Track Electrification & Transmission Lines

Exploring Transmission Business in Other Geographies



- Bangladesh's Plan to build ~10,500 ckm of transmission lines and 160 Substations by 2021
- Opportunities in building Myanmar
- Consulting Opportunities being regularly explored in SAARC (Nepal, Bhutan, Bangladesh), South East Asia, Far East and Africa
- Govt's strategic partnerships & investments to provide opportunities – Sri Lanka, Africa, Bangladesh etc.

Draft National Energy Plan of NITI Aayog flags off new opportunities for CPSEs



- Draft NEP of NITI Aayog (Jun-17) indicates thrust on Energy Security, RE and Climate Change initiatives, reforms and capacity building
- Opportunities set to emerge in eV Charging, Grid Scale Energy Storage, Energy Efficiency, Smart Cities
- Policy also opens up discussion on segregation of carriage and content – Likely to throw up large opportunities
- Draft Policy proposes Central Govt Utilities to partner with State Utilities in Distribution

Exploring New Adjacencies



- Leveraging Transmission Tower for Telecom- Pilot successful; Proposal submitted to CEA for clearance**
- Exploring Data Center Opportunities leveraging country wide presence through sub-stations**
- EPC Opportunities in other countries – in friendly and stable countries aligned to GoI's strategic role**
- Right time for Company to study all new opportunities – Professional advice being sought. Tender under finalisation**

Recent Accolades

**Highest Placed
Power Sector CPSE
and 2nd Highest
Placed CPSE**

- **Great Place to Work
For, 2017**

**Winner
Category: Power
Sector**

- **D&B Corporate Awards
2017 – Power Sector**

**#884
(58 Places Jump
from 2016 rankings)**

- **Forbes 2000 Global List
2017**

Thank You

Presentation available at www.powergridindia.com