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

Q1 FY 2017-18
Investor Presentation
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- Annual Accounts for FY2016-17 are yet to be approved by the shareholders.
Recent Highlights

POWERGRID Today

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

Business Outlook & Way Forward

Accolades
Recent Highlights
Recent Highlights – Project Execution

Projects Completed/Commissioned in FY18

✓ ~ ₹ 3,542 crore
  ▪ Capitalised during Q1FY18
✓ ~ ₹ 3,900 crore
  ▪ Completed in Jul’17
Recent Highlights – Project Execution

Assets added during Q1FY18

<table>
<thead>
<tr>
<th>1,646 ckm</th>
<th>3 Sub-stations</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,130 MVA X-fmn Capacity</td>
<td></td>
</tr>
</tbody>
</table>

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,
### Other Highlights

| ₹ 6,333 crore | • Capex during Q1FY18 |
| ~ ₹ 3,200 crore | • Contracts Awarded in Q1FY18 |
| ₹ 1,100 crore | • Investment Approvals in Q1FY18 |
Recent Highlights - Achievement by JV Co.

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: Comm. 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

A ‘NAVATNA’ ENTERPRISE
CENTRAL TRANSMISSION UTILITY
LISTED COMPANY since 2007
GOVT. SHAREHOLDING 57.90%
PAYING DIVIDEND SINCE 1993-94
Market Capitalization ₹ 117,318 crore

~ 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 GoI since signing of its first MoU in 1993-94

20
• Footprints outside India
Performance in Q1FY18 (Apr17-Jun17)
## Performance - Financial (Q1FY18)

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

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

<table>
<thead>
<tr>
<th>(₹ in crore)</th>
<th>As on 31.03.2017</th>
<th>As on 30.06.2016</th>
<th>As on 30.06.2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Fixed Assets</td>
<td>1,49,730</td>
<td>1,23,799</td>
<td>1,53,272</td>
</tr>
<tr>
<td>Capital Work-in-Progress</td>
<td>38,942</td>
<td>48,831</td>
<td>43,118</td>
</tr>
<tr>
<td>Debt</td>
<td>1,17,198</td>
<td>1,09,789</td>
<td>1,22,547</td>
</tr>
<tr>
<td>Net Worth</td>
<td>49,807</td>
<td>45,605</td>
<td>51,864</td>
</tr>
<tr>
<td>Earning Per Share (₹)</td>
<td>14.37</td>
<td>3.44#</td>
<td>3.92#</td>
</tr>
<tr>
<td>Book Value per Share (₹)</td>
<td>95.20</td>
<td>87.17</td>
<td>99.14</td>
</tr>
</tbody>
</table>

**Key Financial Ratios**

<table>
<thead>
<tr>
<th></th>
<th>As on 31.03.2017</th>
<th>As on 30.06.2016</th>
<th>As on 30.06.2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt : Equity</td>
<td>70:30</td>
<td>71:29</td>
<td>70:30</td>
</tr>
<tr>
<td>Return on Net Worth</td>
<td>15.10%</td>
<td>3.95%#</td>
<td>3.96%#</td>
</tr>
</tbody>
</table>

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
Billing & Realization

<table>
<thead>
<tr>
<th></th>
<th>Billing</th>
<th>Realization</th>
<th>%age realization</th>
</tr>
</thead>
<tbody>
<tr>
<td>₹</td>
<td>6,406 crore</td>
<td>₹ 6,142 crore</td>
<td>95.9%</td>
</tr>
</tbody>
</table>

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

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

[ALTC: Annual Levelised Trans. Charges]
Participation in TBCB: Frequency & Status

Legend
Red: Under Litigation/ Scrapped
Fluorescent Green/Green: Completed/ Partly Completed
Operations: (upto Jun’17)

Assets as on Jun 30, 2017
- Trans. Lines: 1093 Nos. - 140,723 ckm
- Sub-stations: 222 Nos. - 293,673 MVA

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)

<table>
<thead>
<tr>
<th>Project Type</th>
<th>Cost (in ₹)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing Projects</td>
<td>1,02,000 crore</td>
</tr>
<tr>
<td>New Projects</td>
<td>4,000 crore</td>
</tr>
<tr>
<td>TBCB Projects</td>
<td>18,000 crore (as per Empowered Committee Estimate)</td>
</tr>
<tr>
<td><strong>Total Works in Hand</strong></td>
<td>1,24,000 crore</td>
</tr>
<tr>
<td>Expenditure done (CWIP)</td>
<td>43,000 crore</td>
</tr>
<tr>
<td>Balance Capex</td>
<td>81,000 crore (next 3-3.5 yrs)</td>
</tr>
<tr>
<td>Capex Plan for FY18</td>
<td>25,000 crore</td>
</tr>
</tbody>
</table>
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
- GoI’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
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