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- This document speaks as of 25 July 2012. Neither the delivery of this document nor any further discussions of the Company with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since that date.

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

One Nation, One Grid
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

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

*One Nation, One Grid*
### 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(FY’13)**
- **₹ 802 Cr in Q1(FY’12)**

#### Assets commissioned

- **₹ 4073 Cr in Q1(FY’13)**
- **₹ 3007 Cr in Q1(FY13)**

#### Table: Financial Performance

<table>
<thead>
<tr>
<th></th>
<th>As on 31.03.2012</th>
<th>As on 30.06.2011</th>
<th>As on 30.06.2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Fixed Assets</td>
<td>63387</td>
<td>51979</td>
<td>68876</td>
</tr>
<tr>
<td>Debt</td>
<td>51752</td>
<td>41447</td>
<td>57987</td>
</tr>
<tr>
<td>Net Worth</td>
<td>23487</td>
<td>22057</td>
<td>24358</td>
</tr>
<tr>
<td>Earning Per Share (Rs)</td>
<td>7.03</td>
<td>1.52*</td>
<td>1.88*</td>
</tr>
<tr>
<td>Book Value per Share (Rs)</td>
<td>50.73</td>
<td>47.64</td>
<td>52.61</td>
</tr>
<tr>
<td><strong>Key Financial Ratios</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt : Equity</td>
<td>69:31</td>
<td>65:35</td>
<td>70:30</td>
</tr>
<tr>
<td>Return on Net Worth</td>
<td>13.86%</td>
<td>3.20% *</td>
<td>3.57% *</td>
</tr>
</tbody>
</table>

* Not Annualized

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**One Nation, One Grid**
Q1 FY12-13: Performance Highlights
Project Execution

One Nation, One Grid

FY13

\[\text{capex} \quad \text{FY12} \quad Q1 \text{ FY12} \quad Q1 \text{ FY13} \]

\[
\begin{array}{c}
17814 \\
1943 \\
3007 \\
\end{array}
\]

FY13 Target 20,000

\[\text{commissioning/capitalization} \quad \text{FY12} \quad Q1 \text{ FY12} \quad Q1 \text{ FY13} \]

\[
\begin{array}{c}
14100 \\
802 \\
4100 \\
\end{array}
\]

Till date 3752

Till Jul'12 5000

(₹ in crore)
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.

One Nation, One Grid
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
### REC Mechanism

<table>
<thead>
<tr>
<th></th>
<th>Q1FY12</th>
<th>Q1FY13</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered Capacity (MW)</td>
<td>240</td>
<td>514</td>
<td>&gt; 2x</td>
</tr>
<tr>
<td>REC Issued (Nos.)</td>
<td>59,863</td>
<td>612,191</td>
<td>&gt; 10x</td>
</tr>
<tr>
<td>REC Traded (₹ in crore)</td>
<td>5.27</td>
<td>113.31</td>
<td>&gt; 21x</td>
</tr>
</tbody>
</table>

Cumulative RECs traded: ₹ 400 crore

### 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 GoI
- Pilot undertaken in Vizag

#### MPLS-VPN under implementation

### Aggregate Registered Capacity 2743 MW (as on 30 Jun’12)

- Wind: 22.8%
- Small Hydro: 52%
- Biomass: 19%
- Solar PV: 5.5%
- Bio-fuel cogeneration: 0.7%
- Others: 0.1%

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Consultancy

**Domestic**

- **Under execution**
  * 116 Assignments
  * Projects worth ₹ 12,800 crore (Balance Cost)

- **Q1 Orders:** 9
  (5- Govt &
  4-Private Sector)

- **Offers submitted**
  * 22 assignments
  * Projects worth ₹6500 crore

**International**

- **Under execution**
  * 17 Assignments
  * Projects worth ₹ 2,700 crore (Balance Cost)

- **Q1 Orders:** 4
  (incl. 2 new clients & 2 new countries)

- **Proposals/ EOI submitted:**
  11 nos. in 5 new countries

**Major Clients include:**

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

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

Afganistan
Sri Lanka
Bangladesh
Kenya
Nepal
Ethiopia
Myanmar
Tajikistan
Bhutan
Nigeria
UAE
## Revenue Collection Efficiency

### Outstanding as on date

<table>
<thead>
<tr>
<th></th>
<th>₹ in crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Billing</td>
<td>950</td>
</tr>
<tr>
<td>Outstanding &gt; 60 days</td>
<td>529</td>
</tr>
<tr>
<td>Being paid in installments</td>
<td>285</td>
</tr>
<tr>
<td>Balance Outstanding &gt; 60 days</td>
<td>244</td>
</tr>
</tbody>
</table>

Equivalent to 8 days of billing

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

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*One Nation, One Grid*
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

Thrust Areas for POWERGRID
- Sub-Transmission
- Renewable Integration
- Smart Grid
- Energy Efficiency

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Source: Report of XII Plan Working Group on Power
Investment Programme

Projects/ Schemes

Capital Outlay

Investment Approved - ₹ 84,000 crore
Contracts awarded for Project Cost: ₹ 70,000 crore

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Funding Programme

Investment planned in Debt-Equity ratio of 70:30

Requirement

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

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

Total Investment Programme of ₹ 100,000 crore

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

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XIII Plan: Power Sector Overview
XIII Plan: Power Sector Overview

**Generation**
- Capacity Addition 79 GW
- Capacity Addition RE 31 GW
- Peak Demand 283 GW

**Transmission**
- Fund Reqt. ₹ 230,000 crore
  - inter-State ₹ 135,000 crore
  - intra-State ₹ 95,000 crore
- ckm addition 130,000
- MVA addition 300,000

**Distribution**
- Total Fund Reqt. ₹ 254,000 crore
- Fund Reqt. for Smart Grid ₹ 230,000 crore
- Fund Reqt. for Smart City ₹ 24,000 crore

**POWERGRID Thrust Areas**

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

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Updates on Upcoming Business Opportunities
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, Pahalgaon (J&K)/ Bidhuna & Shikohabad (UP)/ Puri (Odisha)/ District/cities of Tripura, Chhatisgarh, Haryana, Punjab

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

Smart Grid

- Unified Real Time Dynamic State Measurement (URTDSM) Techniques for efficient Grid Operation and Management integrating State Grid, ISTS, IPPs system
Green Energy Corridors-
Grid Integration of Renewable Energy

<table>
<thead>
<tr>
<th>GREEN ENERGY CORRIDORS</th>
<th>Transmission Plan for Envisaged Renewable Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>₹ 42,000 crore investment in transmission for 40 GW</td>
<td></td>
</tr>
</tbody>
</table>

- 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

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

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Typical Connection Arrangement of RE Generation Farm with Grid

RE Generation/Developer

Intra State

ISTS

LOCATION - 1

FARM
RES - 1
RES - 2
RES - 3

690V/33kV
33/132kV
33/132kV

132/220kV

New Substation

RES - 4
RES - 5
RES - 6

690V/33kV/66kV
66/220kV
66/220kV

RES - 7
RES - 8

690V/33kV/220kV
690V/33kV/220kV

RES - 1
RES - 2
RES - 3

690V/33kV

Existing Substation + Strengthening

LOCATION - 2

LOCATION - 3

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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, Chhattisgarh, Manipur, UP, MP, Tamil Nadu, Karnataka

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-Stations

One Nation, One Grid
Thank You