Press Meet
Mumbai 29 May, 2013

1200kV National Test Station, Bina (MP)
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• Annual Accounts for FY2012-13 are yet to be approved by the shareholders.
POWERGRID Today

A ‘NAVRATNA’ ENTERPRISE
CENTRAL TRANSMISSION UTILITY
LISTED COMPANY
PAYING DIVIDEND SINCE 1993-94
CONSISTENTLY RATED ‘EXCELLENT’ BY GoI

Vision
World Class, Integrated, Global Transmission Company With Dominant Leadership in Emerging Power Markets Ensuring Reliability, Safety and Economy

Existing Businesses
- Transmission
- Grid Management (through 100% subsidiary POSOCO)
- Consultancy
- Telecom
- International Business

New Business Opportunities
- Intra-State Transmission
- Distribution (Wire Business)
- Smart Grid
- Smart City
- Green Energy Corridors
- Energy Efficiency

Credit Ratings
CRISIL ICRA CARE AAA
S&P and Fitch BBB (-) Outlook Negative

Operating Parameters (FY13)
- Availability: 99.90%
- Reliability: 0.58 trippings/ line

Tr. Lines (as on Mar’13)
- 100,107 ckm
- Inter-Regional capacity 29,750MW

S/S & MVA (as on Mar’13)
- 167 Nos.
- 164,763 MVA

One Nation One Grid
POWERGRID Group

**Government of India**
- POSOCO (Grid Management) 100%
- Bihar Grid Company Ltd. 50%
- Teesta Valley Power Transmission Ltd. 26%
- North Eastern Transmission Co. 26%
- National High Power Test Laboratory 20%
- Energy Efficiency Services Ltd. 25%
- Cross Border Power Transmission Co. Ltd. 26%

**Institutions**
- POSOCO (Grid Management) 100%
- Powerlinks Transmission Ltd. 49%
- Torrent Power Grid Ltd. 26%
- Parbati Koldam Transmission Co. 26%
- Jaypee Powergrid Ltd. 26%
- Power Transmission Co. Nepal Ltd. (POWERGRID's 1st Intl JV) 26%

**Non-Institutions**
- NRIs & Others 8.70%
- PTC India Ltd. 4.1%

**Joint Ventures**
- POSOCO (Grid Management) 100%
- Powerlinks Transmission Ltd. 49%
- Torrent Power Grid Ltd. 26%
- Parbati Koldam Transmission Co. 26%
- Jaypee Powergrid Ltd. 26%
- Power Transmission Co. Nepal Ltd. (POWERGRID's 1st Intl JV) 26%

**Subsidiaries**
- POSOCO (Grid Management) 100%
- Powerlinks Transmission Ltd. 49%
- Torrent Power Grid Ltd. 26%
- Parbati Koldam Transmission Co. 26%
- Jaypee Powergrid Ltd. 26%
- Power Transmission Co. Nepal Ltd. (POWERGRID's 1st Intl JV) 26%

**Investment**
- POSOCO (Grid Management) 100%
- Powerlinks Transmission Ltd. 49%
- Torrent Power Grid Ltd. 26%
- Parbati Koldam Transmission Co. 26%
- Jaypee Powergrid Ltd. 26%
- Power Transmission Co. Nepal Ltd. (POWERGRID's 1st Intl JV) 26%

*Note: Shareholding pattern as of 31st March 2013*
Power Sector Overview

**Installed Capacity (incl. RES)**
- Mar-13: 223 GW
- Mar-12: 200 GW

**Renewable Capacity**
- Mar-13: 27.5 GW
- Mar-12: 24.5 GW

**Trans. Lines**
- Mar-13: 274,588 ckm
- Mar-12: 268,693 ckm

**X-formation Capacity**
- Mar-13: 459,716 MVA
- Mar-12: 399,801 MVA

**Energy Generated**
- FY13: 911,652 MU
- FY12: 876,887 MU

**Peak Deficit**
- FY13: 9.0%
- FY12: 10.6%

**Energy Deficit**
- FY13: 8.7%
- FY12: 8.5%

98% of targeted generation successfully met

Source: CEA Reports
FY13 Highlight

Building Partnerships for Inclusive Growth in Sub-Transmission in the Indian Sub-continent

- JV formed with Bihar
- JV formed with Odisha
- JV formed in Nepal

Inclusive Growth
## Financial Highlights FY13

(₹ in crore)

<table>
<thead>
<tr>
<th>Description</th>
<th>Quarter ended</th>
<th>Year ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31.03.2013</td>
<td>31.03.2012</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Transmission Charges</td>
<td>3198</td>
<td>3013</td>
</tr>
<tr>
<td>- Consultancy</td>
<td>122*</td>
<td>91</td>
</tr>
<tr>
<td>- Telecom</td>
<td>61</td>
<td>52</td>
</tr>
<tr>
<td>- Other Income</td>
<td>235</td>
<td>253</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>3616</td>
<td>3409</td>
</tr>
<tr>
<td>Operating Expenses (including prior period adjustment)</td>
<td>531**</td>
<td>514</td>
</tr>
</tbody>
</table>

**EBITDA-Gross Margin**

<table>
<thead>
<tr>
<th>Description</th>
<th>Quarter ended</th>
<th>Year ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3085</td>
<td>2895</td>
</tr>
<tr>
<td>Depreciation</td>
<td>905</td>
<td>718</td>
</tr>
<tr>
<td>Interest</td>
<td>680</td>
<td>510</td>
</tr>
<tr>
<td>FERV: Loss / (Gain)</td>
<td>(5)</td>
<td>31</td>
</tr>
<tr>
<td>Tax</td>
<td>395</td>
<td>604</td>
</tr>
</tbody>
</table>

**Profit after Tax**

|                        | 1109          | 1032       | 4235       | 3255       |

*Includes sale of products ₹ 86 crore
**Includes purchase of products for consultancy assignments ₹ 64 crore
## Financial Highlights FY13

<table>
<thead>
<tr>
<th>Description</th>
<th>As on 31.03.2013</th>
<th>As on 31.03.2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Fixed Assets</td>
<td>80600</td>
<td>63387</td>
</tr>
<tr>
<td>Capital Work-in-Progress</td>
<td>40153 *</td>
<td>33275</td>
</tr>
<tr>
<td>Debt</td>
<td>66188</td>
<td>51752</td>
</tr>
<tr>
<td>Net Worth</td>
<td>26213</td>
<td>23488</td>
</tr>
<tr>
<td>Earning Per Share (₹)</td>
<td>9.15</td>
<td>7.03</td>
</tr>
<tr>
<td>Book Value per Share (₹)</td>
<td>56.62</td>
<td>50.73</td>
</tr>
</tbody>
</table>

### Key Financial Ratios

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt : Equity</td>
<td>72:28</td>
<td>69:31</td>
</tr>
<tr>
<td>Return on Net Worth</td>
<td>16.15%</td>
<td>13.86%</td>
</tr>
</tbody>
</table>

* includes dues for capital expenditure ₹ 5,500 crore
Financial Highlights – 3 years

Consistent deliverance....

Aided by Exemplary Employee Efficiency....

- Growth over FY12
  - Income 24%
  - PAT 30%

(₹ in crore)

Income

FY11: 9099
FY12: 10785
FY13: 13328

PAT

FY11: 2697
FY12: 3255
FY13: 4235

₹ in cr/ Employee

FY11: 0.28
FY12: 0.34
FY13: 0.45
Financial Highlights – 3 years

... leading to Asset Creation and....

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross Fixed Assets (₹ in crore)</th>
<th>RoNW (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY11</td>
<td>50343</td>
<td>12.63%</td>
</tr>
<tr>
<td>FY12</td>
<td>63387</td>
<td>13.86%</td>
</tr>
<tr>
<td>FY13</td>
<td>80600</td>
<td>16.15%</td>
</tr>
</tbody>
</table>

... enhanced shareholder returns...

<table>
<thead>
<tr>
<th>Year</th>
<th>Book Value per Share</th>
<th>Earnings per Share</th>
<th>Dividend per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY11</td>
<td>6.19</td>
<td>1.75</td>
<td></td>
</tr>
<tr>
<td>FY12</td>
<td>7.03</td>
<td>2.11</td>
<td></td>
</tr>
<tr>
<td>FY13</td>
<td>9.15</td>
<td>2.75*</td>
<td></td>
</tr>
</tbody>
</table>

(Figures in ₹)

(* incl. proposed ₹1.14 per share)
FY13: Fund Mobilization

Domestic Bonds

- **Jun-12**
  - ₹ 4000 cr @ 9.3%

- **Oct-12**
  - ₹ 2850 cr @ 8.85%

- **Mar-13**
  - ₹ 1990 cr @ 8.80%

...lower cost of debt

International (US$ 770 mn)

- IFC
  - US$ 270 mn Loan

- Debut FCB Issuance
  - US$ 500 mn
  - Coupon: 3.875%

ECB

FCB listed on Singapore Stock Exchange
FY13: Billing & Realization

Billing
₹ 11,839 cr

Realization
₹ 11,925 cr

%age realization 101%

<table>
<thead>
<tr>
<th>Description</th>
<th>₹ in crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outstanding &gt; 60 days (31 Mar, 2013)</td>
<td>565</td>
</tr>
<tr>
<td>Outstanding &gt; 60 days (28 May, 2013)</td>
<td>480</td>
</tr>
</tbody>
</table>

Avg. Monthly Billing: ₹1000 crore

Highest ever Monthly realization of ₹1841 cr in Mar’13

Outstanding (as on 28-May’13) equivalent to 0.49 months i.e. 15 days’ billing
Project Highlights – FY13

Higher capitalization and investments ...

<table>
<thead>
<tr>
<th></th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capex (₹ in crore)</td>
<td>12,005</td>
<td>17,814</td>
<td>20,037</td>
</tr>
<tr>
<td>Capitalisation</td>
<td>7,140</td>
<td>13,045</td>
<td>17,213</td>
</tr>
</tbody>
</table>

... increase in physical parameters ...

<table>
<thead>
<tr>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tr. Line (GW-ckm)</td>
<td>4736</td>
<td>7927</td>
</tr>
<tr>
<td>Xfn capacity (MVA)</td>
<td>9963</td>
<td>31475</td>
</tr>
</tbody>
</table>

... and increase in Inter-Regional Power Transfer Capacity

- Mar-12: 27,750 MW
- Mar-13: 29,750 MW
- Road to 65,550MW by end of XII Plan

One Nation One Grid
Project Highlights – FY13

Major Projects Commissioned

**Generation linked**
- 400kV D/C Maithon – Koderma
- 400kV D/C Mundra – Jetpur
- 400kV D/C Gandhar – Navsari
- 765kV Sasan-Satna-Bina
- 765kV Fatehpur – Agra
- 400kV D/C Nellore – Gooty
- 400kV D/C Chamera Pooling Station – Jallandhar
- 400kV D/C Nabinagar – Sasaram
- 220 kV D/C Kalapakkam PFBR – Kanchipuram
- 220kV Pallatana – Surajmaninagar

**Sub-Stations**
- Navsari (GIS)
- Raipur Pooling Station
- Mariani
- Silchar
- Angul
- Jharsuguda

**System Strengthening**
- 765kV Moga-Bhiwani
- 765kV Jhatikalan – Bhiwani
- 400kV D/C Andal – Jamshedpur
- 400kV D/C Kishenpur – Samba
- 400kV D/C Bhiwani – Jind
- 400kV D/C Manesar – Neemrana
- 400kV D/C Raipur – Wardha

**Sub-stations**
- Samba
- Jind
- Bhiwani
- Jhatikalan
- Sohawal
- Manesar GIS
- Keonjhar
- Bolangir
- Banka
- Jaipur (South)
**Operational Highlights – 3 years**

**Changing Asset profile: Tr. Lines**

- Mar-11: 86%
- Mar-12: 86%
- Mar-13: 84%

**Changing Asset profile: Sub- Stations**

- Mar-11: 84%
- Mar-12: 82%
- Mar-13: 78%

**As on Mar’13**

- 100,107 ckm
- 809 lines
- 164,763 MVA
- 167 S/S

**GIS S/S**

- Mar-11: Nil
- Mar-13: 7

**Major initiatives**

- Insulator Cleaning & Aerial Patrolling using Helicopters etc.

**System maintained successfully with excellent parameters**

**NTAMC: under implementation**

**Availability**

99.90%

**Trippings/line**

0.58
Grid Management - Highlights

Inter-Regional Exchange (BU)

<table>
<thead>
<tr>
<th>Year</th>
<th>Collective</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY13</td>
<td>66</td>
</tr>
<tr>
<td>FY12</td>
<td>59</td>
</tr>
<tr>
<td>FY11</td>
<td>57</td>
</tr>
</tbody>
</table>

16%↑ reduction in per unit Energy Charges as a result of Market Operations facilitated by necessary transmission infrastructure.

Short Term Open Access

<table>
<thead>
<tr>
<th>Region</th>
<th>Collective</th>
<th>Bilateral</th>
</tr>
</thead>
<tbody>
<tr>
<td>56BU</td>
<td>42</td>
<td>14</td>
</tr>
<tr>
<td>67BU</td>
<td>52</td>
<td>15</td>
</tr>
<tr>
<td>73BU</td>
<td>50</td>
<td>23</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Movement of Weighted Average Prices

- Through Traders
- IEX
- PXIL
- UI (NEW GRID)
- UI (SR GRID)

7-9 p.u. vs ~3 p.u.
Grid Management - Highlights

REC Mechanism

1REC : 1 MWh

- 730 RE generators registered with aggregate capacity of 3,586 MW as on 28th May, 2013
- Wind, Bio-fuel and Biomass constitute 91% of total registered capacity
- May-12: Solar REC trading commences
- Solar RECs worth ₹126 crore traded during FY13
- Avg. traded price per REC (approx.)
  - Solar: ₹12,700 (Floor Price: ₹9300)
  - Non-Solar : ₹1,700  (Floor Price: ₹1500)

System Improvement Initiatives

WAMS & PMU based URTDSM Project

Grid Security Expert System
Highlights – Consultancy

**New Orders**
- 38 from 33 clients (Total Project Cost: ₹726 crore)
- 25 Govt. (7 New clients)
- 13 Private (7 New clients)

**Repeat Orders**
- 13 from 9 clients
- 8 Govt.
- 5 Private

**Under Execution**
- 124 assignments
- Project Cost (Balance) ₹12,000 crore (*

(*) incl. Project work of ₹8400 crore in NER, execution of which shall be taken up in phases

**Clientele**
- State Utilities (Govt.)
- Govt. Institutions (Railways, Navy, NPTI etc.)
- CPSUs (Power & Metal Sectors)
- Private Sector (Utilities, IPPs & Corporates)

**Offers under consideration**
- 19 Assignments
- Project Cost: ₹6750 crore

**FY13 Performance**
- New Orders
- Repeat Orders
- Under Execution

One Nation One Grid
Highlights – International Business

**Orders**
- 21 EOIIs submitted
- 9 Orders received

**Reach**
- 6 New Countries approached
- 1st International JV formed

**Under Execution**
- 17 assignments

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**Expanding Footprints**

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

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One Nation One Grid
# Highlights – Telecom

## Increasing Reach
- Fiber Optic Network: 29,250 km
- Points of Presence: 290
- 26 New cities/towns added

## Increasing Volume
- Capacity sold increased by 40% over previous year

## Increasing Clientele
- 12 New Govt. Clients
- 6 New Private Clients

## Building partnerships
- Leasing of Optic Fiber
- RoW on T&D lines
- Co-location
- Infrastructure sharing

### Revenue and PBT (₹ In cr.)

<table>
<thead>
<tr>
<th>FY09-12</th>
<th>Revenue</th>
<th>PBT</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY09</td>
<td>153</td>
<td>7</td>
</tr>
<tr>
<td>FY10</td>
<td>167</td>
<td>33</td>
</tr>
<tr>
<td>FY11</td>
<td>191</td>
<td>46</td>
</tr>
<tr>
<td>FY12</td>
<td>210</td>
<td>87</td>
</tr>
<tr>
<td>FY13</td>
<td>244</td>
<td></td>
</tr>
</tbody>
</table>

## New Initiative: MPLS

- Under implementation
- Ph-I (SR) & DR NOC completed
- To also run NTAMC & ERP applications

## National Knowledge Network (NKN)
- Project Size: ₹6000 crore
- POWERGRID Share: ₹900 crore

## National Optic Fiber Network (NOFN)
- Project Size: ₹20,000 crore
- POWERGRID Share: ~ ₹4,000 crore

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One Nation One Grid
Investment & Funding Programme

Projects/ Schemes (₹100,000 crore)

- Additional Projects: Tariff Based Bidding Projects; Projects assigned by GoI; Green Energy Corridors; Intra-State Projects; Transnational Interconnections

- IPPs: ₹48,000 cr
- CS Gen: ₹25,000 cr
- Grid Strengthening: ₹18,000 cr
- UMPP & Others: ₹9,000 cr

Capital Outlay (₹100,000 crore)

Investment Approved - ₹ 90,500 cr; Contracts Awarded for Project Cost - ₹ 80,000 cr

Funding Requirement

- FY13: ₹20,000 cr
- FY14: ₹20,000 cr
- FY15: ₹20,000 cr
- FY16: ₹20,000 cr
- FY17: ₹20,000 cr

Debt & Equity in the ratio 70:30
- ₹34,800 crore Debt already tied up

Source of Funds:
- Equity: Internal Accruals
- Debt: Domestic & Intl Borrowings (*)

(*) Domestic: Bonds & Loans; Intl – Loans from WB, ADB, Suppliers' Credit; ECB (Bonds & Loans)
New Initiatives - Updates

JVs for Intra-State Transmission
- JV with Bihar formed
  - Project Cost: ₹6300 crore
  - Trans. License approved by BERC

- JV with Odisha formed
  - Project Cost: ₹2500 crore
  - Petition submitted for Trans. License

Distribution (Wire Business)
- Petition submitted for license in Odisha
- Hearing held.
  - Order awaited.
New Initiatives - Updates

Smart Grid/ Smart City
- Pilot Project in Puducherry under Implementation
- Control Center Operational
- Establishment of Smart Grid in Dholera (Guj) (Special Investment Region under DMIC)

Green Energy Corridors
- ₹43,000 cr investment envisaged - ₹20,600 (Intra-State) & ₹22,400 (Inter-State)
- Being prioritized
- Indo-German Co-op
  - Concessional loans of upto EUR 1 bn by KfW

Energy Efficiency
- Energy Audit for external establishments (*) commenced
- Implementation of Recommendations being taken up
- Strategic Business Alliances being formed

(*) Utility Sub-stations, Steel Rolling Mills, Electrical establishments of Steel Plants, Lattice Structure Manufacturers, Cable, Conductor & Wire Drawing Industries
Towards New Business Opportunity

• Study on “Desert Power India-2050”
  ✓ Assessment of renewable potential in deserts
  ✓ Rajasthan, Gujarat, Himachal Pradesh and J&K
  ✓ Identification of technology as well as infrastructure developmental requirements like Transmission System for evacuation of RE, in addition to Water, roads etc.
Highlights – Sustainability

Environment and Social Policy & Procedure (ESPP)
- Principles of Avoidance, Minimization and Mitigation
- Certified to Social Accountability Standard (SA-8001: 2008)

1st company in Asia to have a well defined Environment & Social Policy & Procedure

1st company in India and 2nd in the world to be certified with a PAS based Integrated Management Section
Corporation Social Responsibility

- As per policy, 1% of previous year Profit After Tax earmarked for CSR

- Thrust Areas:
  - Education
  - Health
  - Infrastructure
  - Livelihood
  - Tree Plantation
  - Ecology
  - Environment
  - Natural Calamities

2nd Sustainability Report released
Thank You