Press & Analysts’ Meet
February 6, 2014
Mumbai
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• Annual Accounts for FY2012-13 have been approved by the shareholde```
Thank you for your overwhelming support in the FPO and for helping us to become the 2nd Fastest Growing Electric Utility in the world*

(*) Based on the 3 year CGR for publicly traded energy companies with assets over US$4.5B (As per 2013 Platts Top 250 Global Energy Company Rankings)
Recent Events

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Uniting India......with one frequency

Successful synchronization of NEW Grid with Southern Grid on 31st Dec, 2013

Frequency at the time of synchronization
- 50.05 Hz Raichur
- 50.08 Hz Solapur
National Grid - Evolution

One Nation - One Grid – One Frequency
A long cherished dream turned into reality

October 1991
East & North-East synchronized

March 2003
West synchronized With East & North-East

August 2006
North synchronized with Central Grid

Dec'2013
South synchronized with NEW Grid

Raichur-Sholapur
Inter-Regional Link commissioned

One Nation
One Grid
One Frequency

Five Regional Grids
Five Frequencies

One Nation
One Grid
Frequency

Raichur-Sholapur
Inter-Regional Link commissioned
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POWERGRID Today – An Overview

A ‘NAVRATNA’ ENTERPRISE
CENTRAL TRANSMISSION UTILITY
LISTED COMPANY
PAYING DIVIDEND SINCE 1993-94
CONSISTENTLY RATED ‘EXCELLENT’ BY GoI
GOVT. SHAREHOLDING 57.90%

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

Tr. Lines (as on 31-1-2014)
105,086 ckm
Inter-Regional capacity
33,950 MW

S/S & MVA (as on 31-1-2014)
178 Nos.
190,768 MVA

Operating Parameters (Apr13-Jan14)
Availability: 99.91%
Reliability: 0.50 Trippings per line

CREDIT RATINGS

Domestic
• AAA
• Stable
CRISIL
• AAA
CARE

International
• AAA
Fitch
• BBB (-)
• Negative Outlook
S&P
• BBB (-)
• Stable Outlook

ICRA
• AAA
• Stable
POWERGRID- Shareholding Pattern

86.36%

69.42%

57.90%

8.85 lakh individuals hold nominal share capital upto ₹ 1 lakh (equivalent to 4.35% of total share capital)
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## Financial Performance: Q3 FY13-14

<table>
<thead>
<tr>
<th></th>
<th>Quarter ended</th>
<th>Nine months ended</th>
<th>FY 2012-13</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Transmission Charges</td>
<td>3470</td>
<td>3245</td>
<td>10576</td>
</tr>
<tr>
<td>- Consultancy Income: Services</td>
<td>63</td>
<td>66</td>
<td>185</td>
</tr>
<tr>
<td>- Consultancy Revenue: Sale of Products</td>
<td>86</td>
<td>272</td>
<td>86</td>
</tr>
<tr>
<td>- Telecom</td>
<td>65</td>
<td>58</td>
<td>211</td>
</tr>
<tr>
<td>- Other Income</td>
<td>115</td>
<td>121</td>
<td>294</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>3799</strong></td>
<td><strong>3490</strong></td>
<td><strong>11538</strong></td>
</tr>
<tr>
<td>- Operating Expenses(including prior period adjustment)</td>
<td>580</td>
<td>439</td>
<td>1691</td>
</tr>
<tr>
<td></td>
<td><strong>3219</strong></td>
<td><strong>3051</strong></td>
<td><strong>9847</strong></td>
</tr>
<tr>
<td><strong>EBITDA-Gross Margin</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>990</td>
<td>865</td>
<td>2921</td>
</tr>
<tr>
<td>Interest</td>
<td>787</td>
<td>685</td>
<td>2349</td>
</tr>
<tr>
<td>Tax</td>
<td>400</td>
<td>372</td>
<td>1255</td>
</tr>
<tr>
<td><strong>Profit after Tax</strong></td>
<td><strong>1042</strong></td>
<td><strong>1129</strong></td>
<td><strong>3322</strong></td>
</tr>
</tbody>
</table>

(₹ in crore)
## Financial Performance: Q3 FY13-14

(₹ in crore)

<table>
<thead>
<tr>
<th></th>
<th>As on 31.03.2013</th>
<th>As on 30.06.2013</th>
<th>As on 30.09.2013</th>
<th>As on 31.12.2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Fixed Assets</td>
<td>80600</td>
<td>83550</td>
<td>87107(@)</td>
<td>90152(@)</td>
</tr>
<tr>
<td>Capital Work-in-Progress</td>
<td>40153</td>
<td>42300</td>
<td>47626(#)</td>
<td>51310(#)</td>
</tr>
<tr>
<td>Debt</td>
<td>66168</td>
<td>72094</td>
<td>77710</td>
<td>79751</td>
</tr>
<tr>
<td>Net Worth</td>
<td>26213</td>
<td>27254</td>
<td>28493</td>
<td>34805</td>
</tr>
<tr>
<td>Earning Per Share (₹)</td>
<td>9.15</td>
<td>2.25*</td>
<td>4.92*</td>
<td>7.12*</td>
</tr>
<tr>
<td>Book Value per Share (₹)</td>
<td>56.62</td>
<td>58.87</td>
<td>61.54</td>
<td>66.53</td>
</tr>
</tbody>
</table>

### Key Financial Ratios

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

(@) excluding assets worth `1202 crore capitalised on 1st January, 2014
(#) excluding FERV

* Not Annualized
Billing & Realization – FY14(Upto Dec-13)

Billing
₹ 10405 Crore

Realization
₹ 10344 crore

%age realization
99.4%

Avg. Monthly Billing: ₹ 1156 crore => 2mnths (60 days’) billing = ₹ 2312 crore

Dues as on 31.01.2014

Balance due but not outstanding (<60 days allowed as per CERC) = ₹ 962 crore

<table>
<thead>
<tr>
<th>Description</th>
<th>₹ in Crore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outstanding &gt; 60 days</td>
<td>447 *</td>
</tr>
<tr>
<td>Tied-Up payments (receiving in installments)</td>
<td>48</td>
</tr>
<tr>
<td>Undisputed Outstanding &gt; 60 days</td>
<td>399</td>
</tr>
</tbody>
</table>

(*) Accumulated mainly on account of Court case against POC mechanism. However, in line with the Interim Order issued by Hon’ble Delhi High Court on 30.07.2013/ Order issued by Supreme Court on 17.12.2013, the constituents are making payment as per POC. Outstanding dues are being cleared/proposed to be cleared in installments.

Outstanding (as on 31.01.2014) equivalent to ~ 11 days’ billing
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Project Execution: FY 13-14 (Apr-Dec)

Capitalisation (₹ in crore)
- 9552

Capex (₹ in crore)
- 16482

X-formation Capacity (MVA)
- S/S: 9 Nos. 20875
- 26005 (S/S: 11 Nos.)

Tr. Line (GW-ckm)
- 5876

Till Jan’14
- > ₹ 13,000 cr.
- > ₹ 18,500 cr.
Projects in FY 14

Transmission Lines

~ 7,400 GW-ckm

Sub-Stations

11 Nos.
~ 26,000 MVA

Inter-Regional Capacity

4,200 MW

Major Lines

- Agra – Jhatikara, Agra - Meerut
- Parbati Pooling-Amritsar
- Sasan - Satna II
- Behrampur-Bheramara (Bangladesh I/C)
- Fatehpur - Agra II
- TPCIL – Nellore
- Raigarh (Kota) PS – Raigarh
- Agra - Sikar
- Raigarh (Kota) – Raigarh (Tamnar)
- Jabalpur PS - Bina
- Raigarh (Kota) – Raipur (Durg)
- Meerut - Bhiwani
- Satna – Gwalior,
- Bina - Gwalior
- Silchar – Purba Kanchan Bari
- Balipara - Bong’gaon
- Raigarh - Champa PS - Raipur
- Pirana-Vadodara, Vadodra-Asoj
- Indore-Vadodara
- Raichur-Kurnool
- Ranchi-WR Pooling (Bilaspur)
- Nellore-Thiruvalam

Major Sub-stations

- Raigarh (Kotra)
- Indore
- Parbati PS
- Behrampur (for Bangladesh interconnection)
- New Wanpoh (J&K)
- Raigarh (Tamnar)
- Hamirpur (GIS)
- Jabalpur PS
- Raichur
- Ranchi
- Aurangabad
- Nellore
- Dharamjaygarh
- Kala (DNH)
- Shahjahanpur
- Lakhi Sarai
- Thiruvelam

Inter-Regional

- Sasaram - Fatehpur II
- Raichur - Sholapur

Green Font indicates lines/ sub-stations completed till Jan’14

Indo-Bangladesh Inter-connection

Commissioned

Transnational link
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Asset Management

**Assets**

- 857 lines; 105,086 ckm
- 178 S/S (incl. 49 remotely operated); 190,768 MVA
- 548 X-former & Convertor Xfr
- 767 Reactors

**Points of Presence**

- Network of lines criss-crossing the country
- Presence at every 70-80km (avg.)

**Performance (Apr13-Jan14)**

- Availability: 99.91%
- Reliability: 0.50 trippings/ line

**Efficiency Improvement**

- NTAMC
- Aerial patrolling using helicopters
- Mobile (ERS) Sub-station

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Grid Management¹ (POSOCO)

**I-R Transfer (BU)**

- Apr12-Dec12: 48.90
- Apr13-Dec13: 56.71
- 16% increase

**STOA (BU)**

- Apr12-Dec12: 54.64
- Apr13-Dec13: 23.00
- 21% decrease

**REC Trading: Again picking up**

**Registration**

- 851 projects; 3963MW

**RECs traded (Value)**

- ₹ 974.70 crore

**RECs traded**

- Q3FY14: 152.3
- Q2FY14: 48.15
- Q1FY14: 31.45

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¹ carried out through Power System Operation Corporation Limited, a wholly owned subsidiary of POWERGRID,
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Consultancy - Highlights: Q3FY14

**Domestic**

**Orders**
- 15 New Orders
  - (13 Govt., 2 Pvt.)
  - (incl. Smart Grid Consultancy assignments from 7 States)

**Under Execution**
- 124 assignments - Project Cost: (Balance) ₹ 15,000 cr.
  - Project Implementation Plans for NER Comprehensive Scheme under preparation
  - Comprehensive Scheme for Sikkim and Arunachal Pradesh

**Jan’14 Update:** POWERGRID to implement trans. project for Leh-Kargil (J&K) connectivity (~ ₹ 1800 cr.)

**International**

**Orders**
- 1 New Order - (SAARC)
  - Footprints in 14 countries

**Under Execution**
- 18 assignments
  - Mgmt. Contract (Ethiopia)
  - Operation Phase commenced

**Under Consideration**
- 6 proposals submitted
  - 3 EOIs submitted in 2 New countries (Armenia & Georgia)

**POWERGRID** to implement trans. project for Leh-Kargil (J&K) connectivity (~ ₹ 1800 cr.)
**Telecom Highlights – Q3FY14**

**Clients**
- 7 New Clients
- 2 Govt
- 5 Pvt (incl. Enterprise Customers)

**Financials**
- Q3FY14 Income
  - ₹ 65 crore
  - 12% increase over Q3FY13

**Network Parameters**
- Backbone availability: 100%

**MPLS**
- Commil. Operation likely to commence
- NOCs established
- Empanelment of partners in progress

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**GoI Projects**

**NKN**
- Project completed and under operation

**NOFN**
- Survey completed in all 4 states
- Tendering under process for trenching, laying, ducting and fiber installation
- Award placed for procurement of ~ 12,000 km duct

- Allotment received for NOFN works in 4 states (AP, HP, Jharkhand & Odisha)
- Estimate cost: ₹ 3000 crore
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## Smart Grid/ Smart City - Updates

<table>
<thead>
<tr>
<th>Smart Grid</th>
<th>Renewable Energy Integration</th>
<th>Smart City</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects under implementation/development</td>
<td>Unified Real Time Dynamic State Measurement Scheme</td>
<td>Consultancy for Smart Grid Projects</td>
</tr>
<tr>
<td>Taken up for implementation</td>
<td>Analytics Development using PMU Data</td>
<td>Assignments secured in 7 cities covering 7 states</td>
</tr>
<tr>
<td>In Progress</td>
<td>Green Energy Corridors</td>
<td>Participation in JV Development of Dholera Smart City in Dholera (Guj.) under DMIC</td>
</tr>
<tr>
<td></td>
<td>Process initiated for Technical and Financial Assistance</td>
<td>Rooftop Solar PV Projects</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Project Reports submitted for Puducherry and Delhi</td>
</tr>
</tbody>
</table>

- **Desert Power India -2050**
  - Concept Plan evolved
- **Green Energy Corridors**
  - Process initiated for Technical and Financial Assistance
Desert Power India – 2050

Concept Plan

✓ Assess Renewable Generation potential
✓ Evolve Infrastructure requirement

Installable Capacity
300GW
(utilizing ~ 7.5% of wasteland)

Trans. Capacity planned
~200GW

Balancing/ Flexible Capacity Infrastructure

Transmission Plan

• Hybrid EHVAC/ HVDC TS
• Interconnection of Desert Trans. Corridors with
  • Load centers and Green Energy Corridors
• High Capacity Trans. Corridors
• 26 Nos. HVDC Bipoles
• 25 Nos. 1200kV S/C lines
• Downstream investment in intra-state trans.

Total Geog. Area
3.30 lakh sq.km.

Wasteland Area
1.48 lakh sq.km.
5%-15% Wasteland

220-450GW

Major Challenges
✓ Adverse Terrain
✓ Infrastructure Constraints
✓ Manpower
✓ Trans. Infra Development

Thrust Areas
✓ Change from R&D to RD&D
✓ Indigenous Manufacturing

Thar
Ladakh
Lahaul & Spiti (HP)
Rann of Kutch
Recent Events

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Investment Programme – XII Plan

XII Plan Capital Outlay* ₹110,000 crore

FY13: ₹20,037 cr.
FY14: ₹22,150 cr.
FY15: ₹22,450 cr.
FY16: ₹22,500 cr.
FY17: ₹22,550 cr.

Funds raised from Capital Markets in FY14

₹3966 cr @ 8.70% (Bonds in Jul-13)
₹3126 cr @ 7.93% (Bonds in May-13)
₹5321 cr (Fresh issue of 60.19 cr shares in Dec-13)

Investment Approved for Project Cost
₹96,700 crore

Contracts Awarded for Project Cost
₹88,100 crore

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

<table>
<thead>
<tr>
<th>Month</th>
<th>Debt</th>
<th>Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar'12</td>
<td>31</td>
<td>69</td>
</tr>
<tr>
<td>Jun'12</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>Sep'12</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>Dec'12</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>Mar'13</td>
<td>28</td>
<td>72</td>
</tr>
<tr>
<td>Jun'13</td>
<td>27</td>
<td>73</td>
</tr>
<tr>
<td>Sep'13</td>
<td>27</td>
<td>73</td>
</tr>
<tr>
<td>Dec'13</td>
<td>30</td>
<td>70</td>
</tr>
</tbody>
</table>
Utilization of FPO funds

FPO funds

- Funds raised: ₹ 5321 crore
- No. of Projects identified for fund utilization: 27
- Funds utilized till Jan’14: ~ ₹ 1500 crore
- Some elements of 5 identified projects commissioned during Dec’13 & Jan’14

- TS associated with Rihand-III & V’chal-IV
- TS for Phase-I Generation Projects in Odisha (Part-C)
- TS associated with Krishnapatnam (Part-B)
- Establishment of Pooling Stations at Raigarh (Kotra) and Raipur for IPP generation projects in Chhatisgarh
- TS for Phase-I generation projects in Odisha (Part-B)
## Future Outlook: Transmission

<table>
<thead>
<tr>
<th>Transmission</th>
<th>Additions during 13th Plan</th>
<th>Fund Requirement: ~ ₹ 200,000 crore</th>
<th>Trans line (&gt; 220kV): 130,000 ckm</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Source: 12th Plan Working Group on Power)</td>
<td></td>
<td></td>
<td>X-formation Capacity: 300,000 MVA</td>
</tr>
<tr>
<td><strong>Renewable Energy Integration</strong></td>
<td><strong>Green Energy Corridor</strong> (Investment envisaged: ~ ₹ 25,000 cr)</td>
<td><strong>Inter-State:</strong> ~ ₹13,000 cr. (POWERGRID to implement)</td>
<td><strong>Intra-State:</strong> ~ ₹ 12,000 cr.</td>
</tr>
<tr>
<td></td>
<td><strong>Desert Power</strong></td>
<td><em><em>Estimated Investment</em> in Tnx till 2050:</em>* ~ ₹4.5 lakh cr.</td>
<td></td>
</tr>
<tr>
<td><strong>Projects in NER and J&amp;K</strong></td>
<td><strong>NER Comprehensive Scheme</strong> - (~ `₹12,800 cr. in aggregate)</td>
<td>i) Six States of NER - POWERGRID to implement (~ ₹ 8100 cr.) ii) Arunachal &amp; Sikkim-POWERGRID to implement (~ ₹4700cr.)</td>
<td><strong>Trans. Project for Leh-Kargil (J&amp;K) connectivity – POWERGRID to implement (~ ₹ 1800 cr.)</strong></td>
</tr>
<tr>
<td><strong>Smart Grid/ Smart City Opportunities</strong></td>
<td><strong>Smart Grid projects</strong>- (POWERGRID to implement ~ ₹ 1,500 crore)</td>
<td><strong>Smart Grid works in Distribution:</strong> ~ ₹9,500 cr.</td>
<td></td>
</tr>
<tr>
<td><strong>Other projects</strong></td>
<td><strong>Distribution Reform works</strong></td>
<td><strong>RGGVY in XII &amp; XIII Plan</strong> ~ ₹ 25,000 cr new projects</td>
<td><strong>R-APDRP:</strong> ~ `₹ 22,000 cr. Govt grant allocated for XII &amp; XIII Plans</td>
</tr>
<tr>
<td></td>
<td><strong>Distribution Business</strong></td>
<td><strong>Energy Efficiency</strong></td>
<td><strong>Power Quality Improvement Projects</strong></td>
</tr>
</tbody>
</table>

* Source: POWERGRID Report on Desert Power 2050- for Integrated Plan for Desert Power Development
Thank You