

CC/PUTL_COS/Stock Exchanges/42

May 27, 2022

To

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai – 400 051
Symbol: PGINVIT

Listing Department
BSE Limited
20th Floor, P. J. Towers
Dalal Street, Mumbai – 400 001
Scrip Code:543290 (PGINVIT)
Company Code:12436

Subject: Investor Presentation on Q4 & FY2022 Financial Results of POWERGRID Infrastructure Investment Trust (PGInvIT)

Dear Sir/Madam,

Enclosed please find the Investor Presentation on Q4 & FY2022 Financial Results of POWERGRID Infrastructure Investment Trust. Kindly take the same on record please.

Thanking You,

Yours faithfully,

**For POWERGRID Unchahar Transmission Limited
(as Investment Manager of POWERGRID Infrastructure Investment Trust)**



**Anjana Luthra
Company Secretary & Compliance Officer**

Encl: As above.

CC:

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001.

POWERGRID Infrastructure Investment Trust

Investor Presentation
Results Q4 & FY2022



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- ❑ **PGInvIT Overview**
- ❑ **Acquisition Update**
- ❑ **PGInvIT Performance**
 - Operational
 - Financial
- ❑ **Distribution**
- ❑ **Outlook**
- ❑ **Glossary**

India's 1st InvIT from a Govt. entity, sponsored by a Maharatna CPSE

The power of AAA

Assets

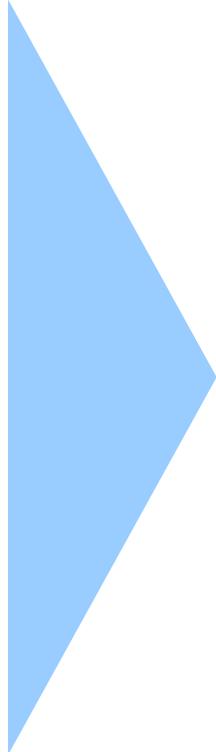
- 5 operational projects - 11 transmission lines with network of ~3,699 ckm, 3 substations with 6,630 MVA transformation capacity
- Sound operational track record with high Availability

Assurance

- Backing of world's 3rd largest transmission company as Sponsor and Project Manager
- TBCB mechanism on build-own-operate-maintain basis – Average residual contract period >30 years

Advantage

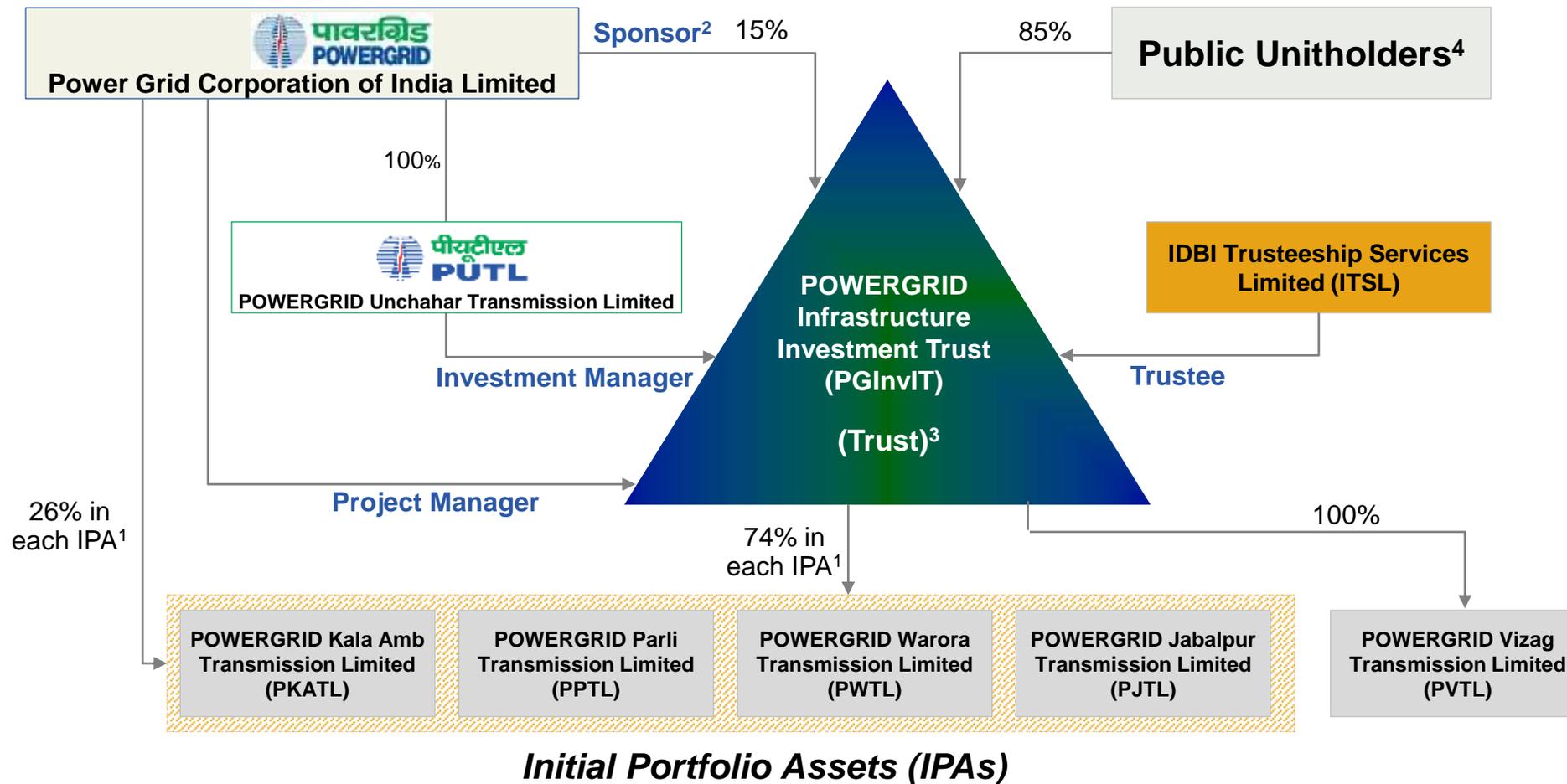
- Availability based Fixed tariffs - High visibility on cash flows
- Large pool of Sponsor's TBCB assets and debt funded acquisition strategy



***Consistent
Stable
Visible
returns***

- ***Skilled and experienced Investment Manager having strong corporate governance philosophy***
- ***Continued Support of the Sponsor***

(as on 31.03.2022)



Notes:

1. Balance 26% stake shall become eligible for acquisition in a phased manner, after expiry of the lock-in conditions under the TSA. i.e. PKATL(Jul'22); PPTL(Jun'23), PWTL(Jul'23) and PJTL(Jan'24)

2. Holds 136.5 mn units

3. Total 910.0 mn units

4. Hold 773.5 mn units



To achieve a focused business model with productive and operational efficiency to enhance returns

To Capitalize on value accretive growth through acquisitions and non-transmission revenues

To Optimize transmission assets through an efficient capital structure



Achieve stable distributions by focusing on owning power transmission assets

Leverage Sponsor's and Investment Manager's industry knowledge & experience

Maintain **high transmission availability**

Optimize operating costs and incorporate new and efficient technologies

Capitalize on opportunities to acquire power transmission projects

CCEA of GOI has permitted the Sponsor to monetise its other TBCB subsidiaries through the InvIT route

PGInvIT stands to be benefitted as a preferred route of monetization

Seek to generate **non-transmission revenue**, including by leasing of optical ground wire and transmission towers

Maintain an optimal and varied portfolio of transmission assets, as well as an **efficient capital structure**

Employ appropriate financing policies and **diversify sources of financing** to minimize overall cost of capital

Consider both **private and public markets**, for raising debt capital, to acquire additional power transmission projects

PGInvIT- Initial Portfolio Assets



Description	POWERGRID Vizag TL	POWERGRID Kala Amb TL	POWERGRID Parli TL	POWERGRID Warora TL	POWERGRID Jabalpur TL
Location	Andhra Pradesh and Telangana	Himachal Pradesh	Maharashtra	Madhya Pradesh and Maharashtra	Madhya Pradesh
No. of lines & substations	2 lines	1 line; 1 S/S	3 lines; 1 S/S	4 lines; 1 S/S	1 line
Line length (ckm)	956.84	2.47	966.12	1,028.11	745.05
Transformation capacity (MVA)	-	630	3,000	3,000	-
Comml. Operation Date	Feb 2017	Jul 2017	Jun 2018	Jul 2018	Jan 2019
% stake acquired by PGINVIT	74%- IPO 26%- Mar22	74%- IPO	74%- IPO	74%- IPO	74%- IPO
Lock-in expiry (for Bal. 26%)	Completed	Jul 2022	Jun 2023	Jul 2023	Jan 2024
Residual Life of TSA (years)	29.8	30.3	31.2	31.3	31.8

5 TBCB projects

11 tr. lines
3,698.59 ckm

3 Sub-stations
6,630 MVA

1,955.66 km
Optical ground wire

30+ years
Avg. residual life

INR 75,554.60 mn
Gross Block

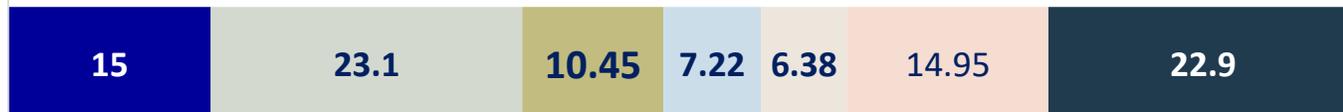


RTM project under PKATL

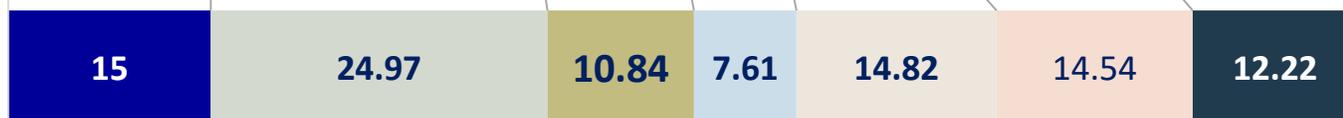
- Grant of transmission license by Hon'ble CERC to PKATL for a new RTM project
- Installation of 1 no. Bus Reactor at Kala Amb
- Estimated Cost: Rs.427 mn; Completion Schedule: 15 months

Unitholding Pattern (Total Outstanding Units: 910 mn)

as on
Mar. 31, 2022



as on
May 11, 2021
(Allotment)



Sponsor Foreign IC PF Mutual Fund Others Individuals

Enjoying Confidence of Investors

- **Individual Investors** holding- consistent and significant increase since IPO
- **Insurance Companies (IC), Pension and Provident Funds (PF)** holding- Stable since IPO
- Reputed Global Investors including Pension Funds

Major Unitholders (as on 31.03.2022)



Schroders



Value accretive Acquisitions in March 2022, approved by unitholders

<p>Balance 26% equity stake of PVTL – acquired from Sponsor</p>	<p>Completion of 5 years from Commercial Operation Date in Jan. 2022, in line with TSA conditions Acquisition Price: Rs.3,307.85 mn</p>	<p>Impact 100% ownership of SPV by PGIInvIT Full Dividend upstreamed to PGIInvIT</p>
<p>Additional revenues accruing to 3 SPVs- acquired from Sponsor</p>	<p>Additional annual transmission charges allowed by CERC on account of change in law Rights acquired by respective SPVs Acquisition Price: Rs. 3,041.5 mn</p>	<p>Impact Increased transmission charges for SPVs (PPTL: 2.787%; PWTL : 3.445%; PJTL: 5.226%) Increase in NDCF</p>

Acquisitions funded through mix of Internal Resources and External Debt

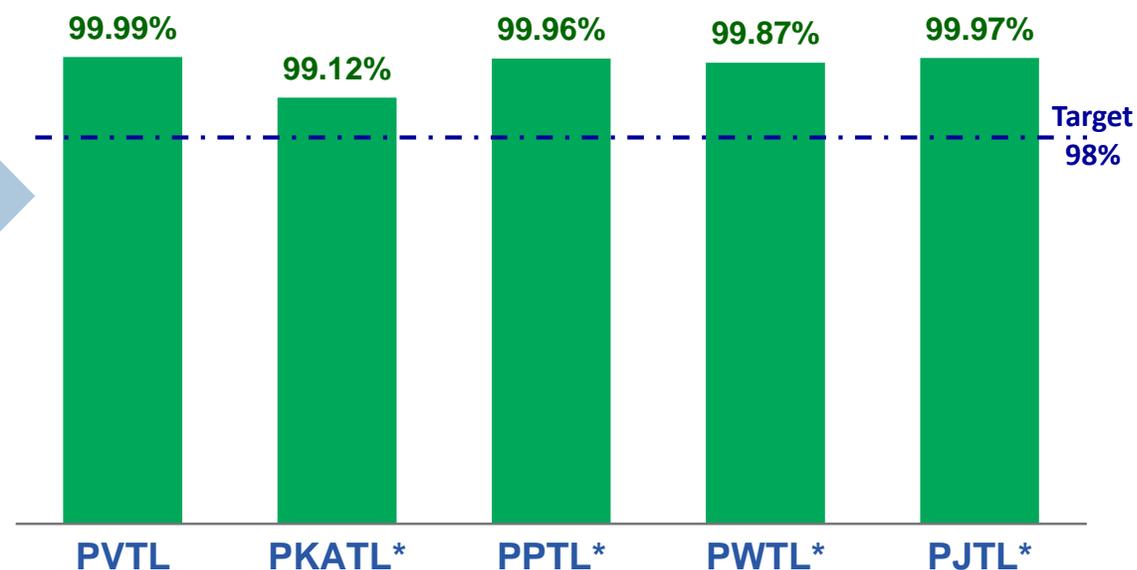
<p>Rs.7,000 mn Bank Loan Agreement</p>	<p>Loan drawn Rs.5,755.85 mn</p>	<p>Cost of Debt <6% as on date of drawal</p>	<p>Tenor 16 years</p>
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*High Availability of Assets achieved consistently.....
.....with POWERGRID as Project Manager to PGIInvIT*

- *Routine O&M*
- *Preventive maintenance*
- *In-house maintenance*
- *OEM Support*
- *Safety Drills*
- *Trainings for O&M teams*

Accident Free Operations

Availability* - FY22



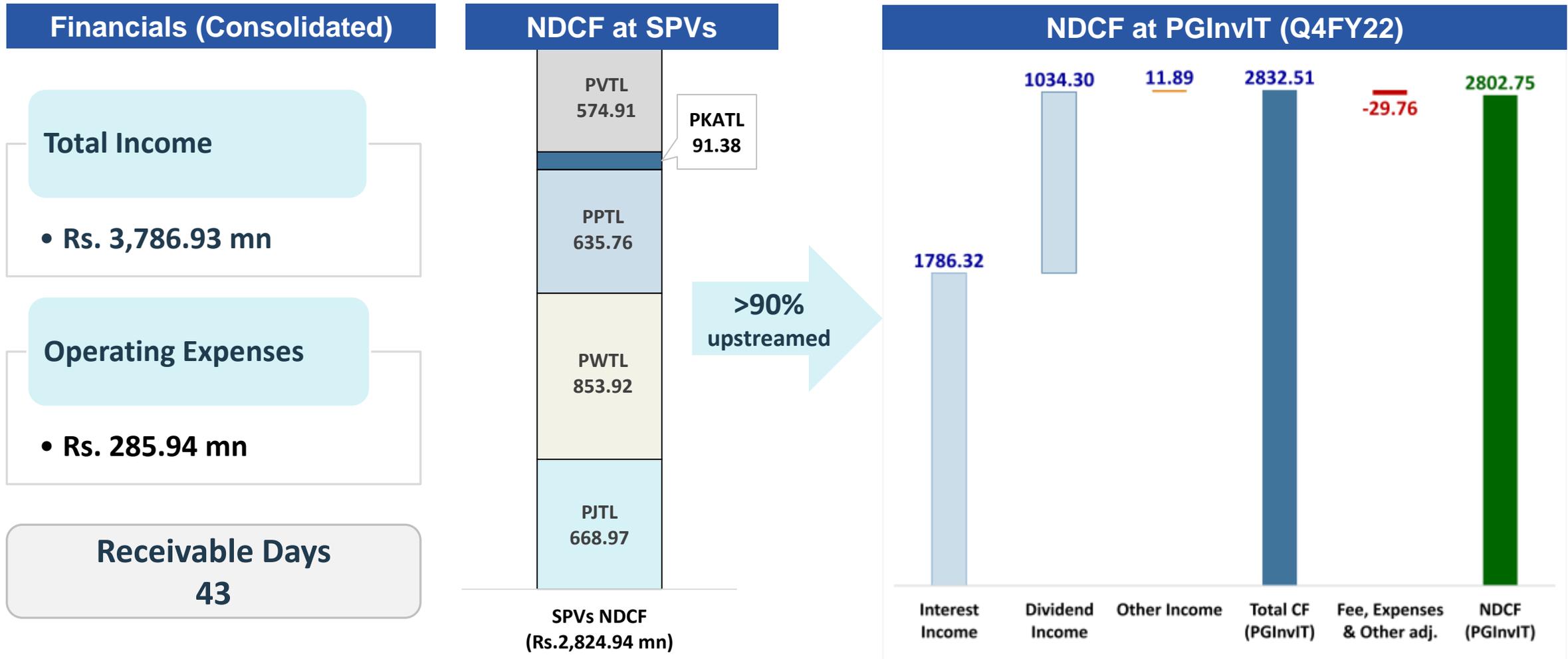
** Availability for Jan'22-Mar'22 provisional. Certificates yet to be received from RPCs*

**Committed to
stakeholders**

- IPAs contributing in various areas of national importance under CSR
- In FY22, IPAs contributed Rs.107.95 mn to PM CARES Fund – to strengthen health infra

Financials providing consistent, stable, visible returns for unitholders

(Rs. in mn)



(Rs. in mn)

Financials (FY22) Consolidated

Total Income

- Rs. 12,434.13 mn

Operating Expenses

- Rs. 780.60 mn

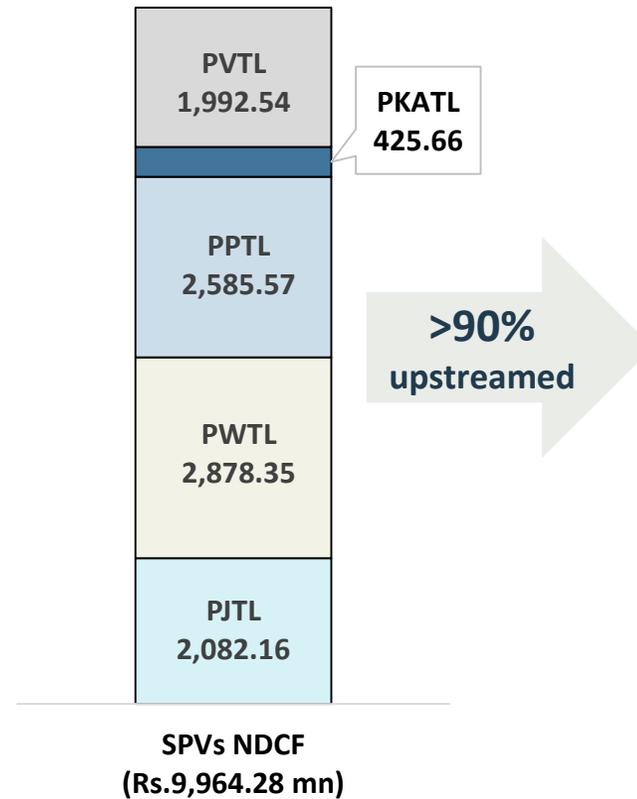
Total Debt

- Rs.5,755.85 mn

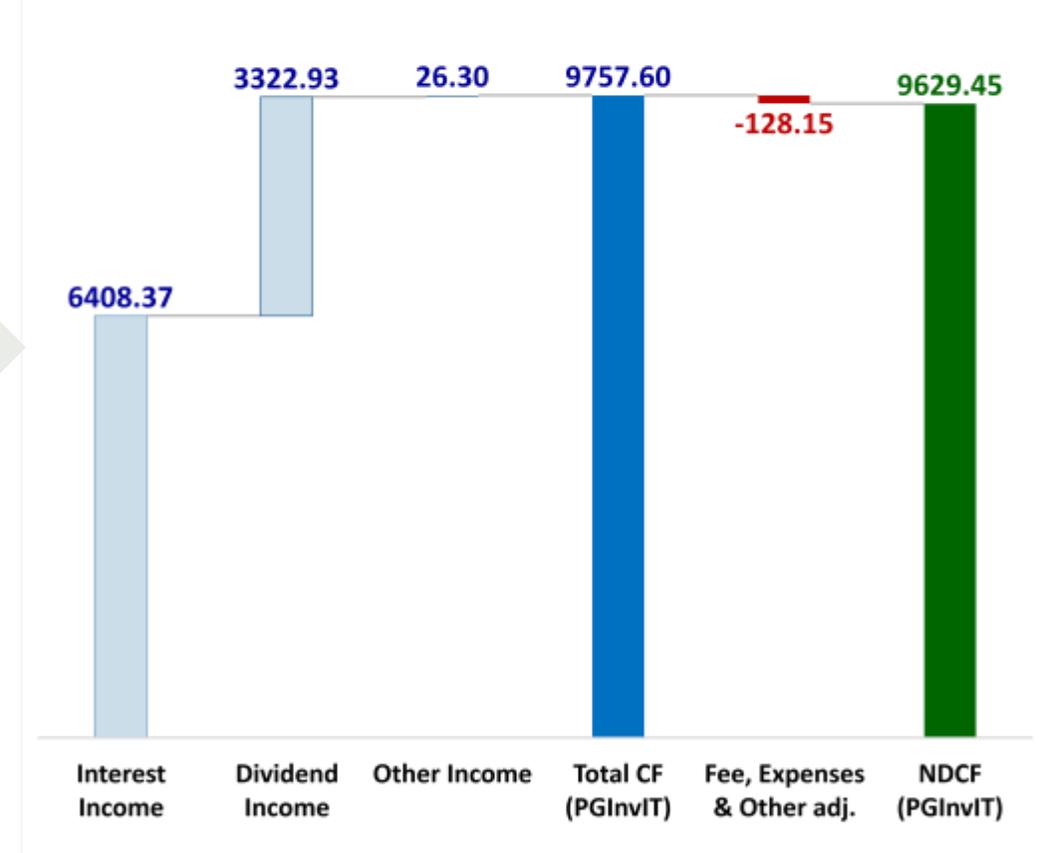
Net Debt/ InvIT Value

- 4.8%

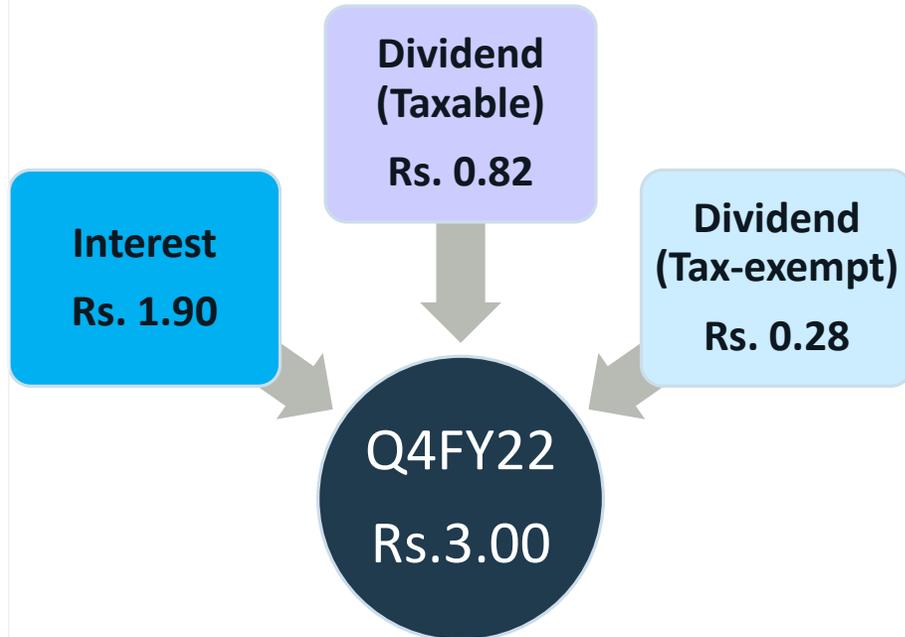
NDCF at SPVs (FY22)



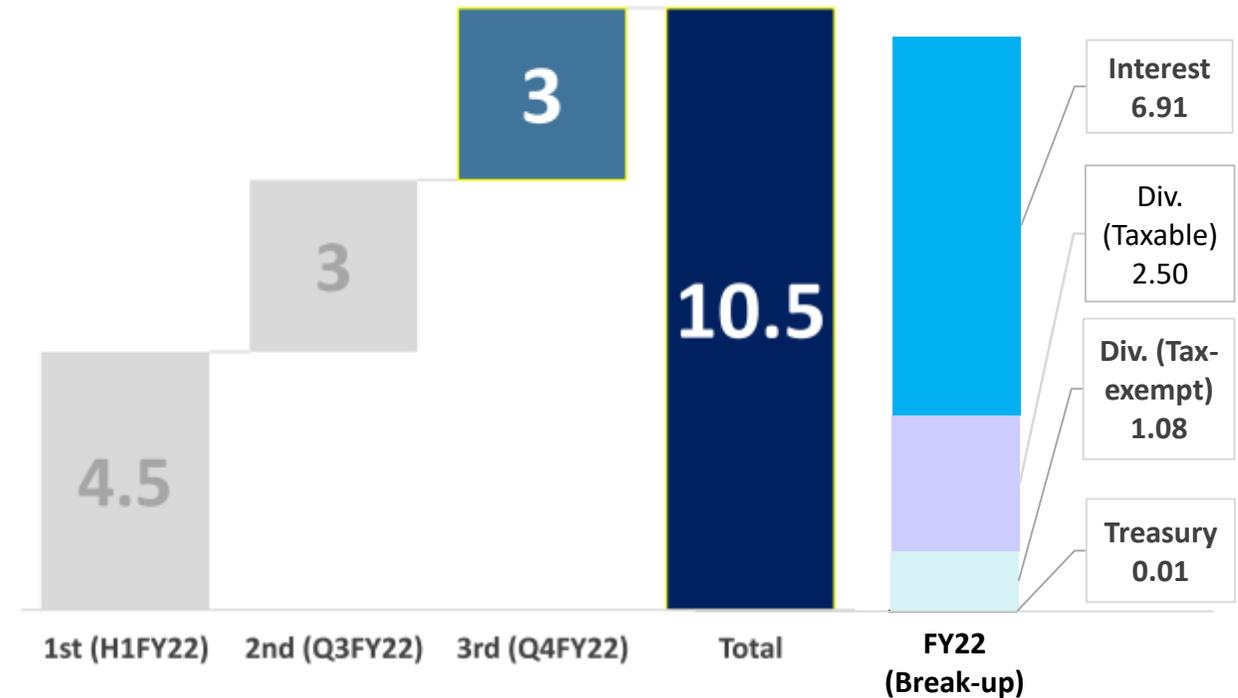
NDCF at PGInvIT (FY22)



Total Distribution per unit for Q4FY22



Total Distribution per unit for FY22



Record Date for Distribution
June 1, 2022

**Acquisition of balance
26% stake in PKATL**

- Completion of 5 years from COD in Jul'22
- Right with PGIInvIT to acquire balance stake, in line with TSA conditions
- Debt funding tied up

**Monetization by
Sponsor in FY2022-23**

- Strong pipeline of TBCB SPVs with Sponsor
- Monetization target of Rs.7,500 crore for FY22-23 set for Sponsor under National Monetisation Pipeline
- Targeted through debt

Enablers for Debt-funded Acquisition Strategy

**Total Debt/ InvIT
Assets
<5%**

**Significant headroom
for Debt funding for
acquisition**

**Confidence of
lenders**

**Highest Credit Rating
'AAA' by CARE, CRISIL
& ICRA**

Term	Description
CCEA	Cabinet Committee of Economic Affairs
CERC	Central Electricity Regulatory Commission
ckm	circuit kilometres
COD	Commercial Operation Date
CPSE	Central Public Sector Enterprise
GoI	Government of India
Q4FY22/ Q4FY2022	Quarter ended March 31, 2022
IM	Investment Manager
InvIT	Infrastructure Investment Trust
IPA	Initial Portfolio Assets (used interchangeably with SPV)
IPO	Initial Public Offer
MVA	Mega Volt Ampere
NDCF	Net Distributable Cash Flow
O&M	Operation and maintenance
PJTL	POWERGRID Jabalpur Transmission Limited
PKATL	POWERGRID Kala Amb Transmission Limited
POWERGRID	Power Grid Corporation of India Limited
PPTL	POWERGRID Parli Transmission Limited
PVTL	POWERGRID Vizag Transmission Limited
PWTL	POWERGRID Warora Transmission Limited
RPC	Regional Power Committee
RTM	Regulated Tariff Mechanism
S&P	Standard & Poor's
SPV	Special Purpose Vehicle (used interchangeably with IPA)
TBCB	Tariff Based Competitive Bidding
TSA	Transmission Service Agreement

Thank you