

Power Grid Corporation of India Ltd.

Q4FY22 and FY22 Results – 6 Points Highlights

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Consolidated Q4FY22 Results

Rs. Crore	Q4FY22	Q4FY21	YoY %	Q3FY22	QoQ %
Revenue	11,068	10,816	2.33%	10,724	3.21%
Other Income	382	306	24.78%	277	38.02%
Revenue from Operations	10,686	10,510	1.67%	10,447	2.29%
Operating Profit	9,722	9,602	1.26%	9,394	3.5%
Operating Profit Margin%	90.98%	91.36%	-37bps	89.9%	106bps
Profit Before Tax	4,659	4,608	1.11%	4,263	9.28%
Tax	-2%	17%		21%	
Profit After Tax	4,156	3,526	17.87%	3,293	26.22%
Profit After Tax Margin	38.90%	33.55%	535bps	32%	737bps

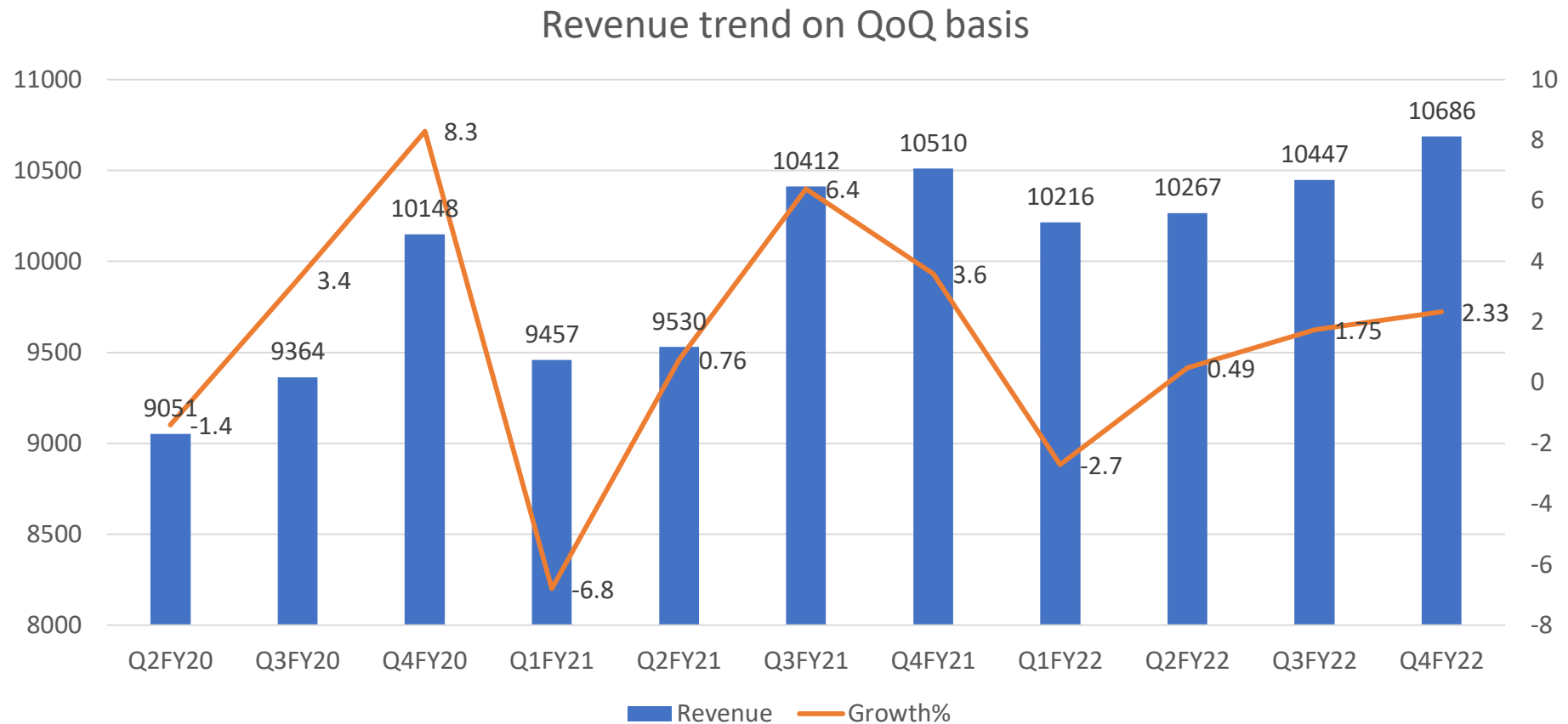
- The revenue numbers have increased by 2.33% on a YoY basis, but the profit is increased by 17.87% due to income from the exceptional item and reduced employee benefit expenses.
- Moreover, the share in the profit of Joint Venture has also come down.

Consolidated FY22 Results

Rs. Crore	FY22	FY21	YoY %
Revenue	42,698	40,824	4.59%
Other Income	1082	1,184	-8.63%
Revenue from Operations	41,616	39,639	4.99%
Operating Profit	37,648	36,177	4.07%
Operating Profit Margin%	90.47%	91.26%	-79.84bps
Profit Before Tax	20,061	14,924	34.42%
Tax	14%	22%	
Profit After Tax	16,824	12,036	39.78%
Profit After Tax Margin	40.43%	30.36%	1006bps

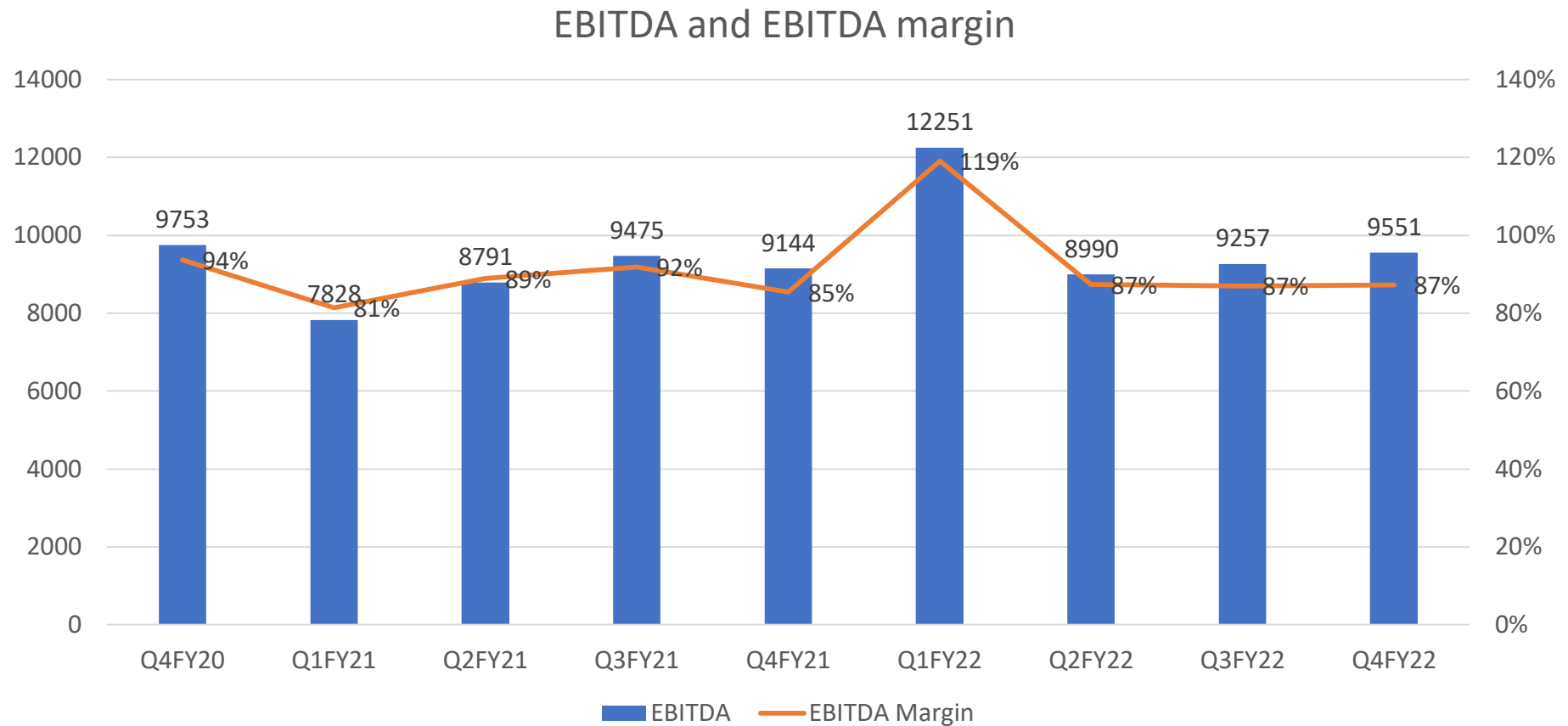
- The revenue numbers have increased by 4.59% on a YoY basis, but the profit is increased by 39.78% due to an income from exceptional items and reduced finance cost.
- Moreover, the share in the profit of Joint Venture has also come down.

Revenue Trend on QoQ Basis



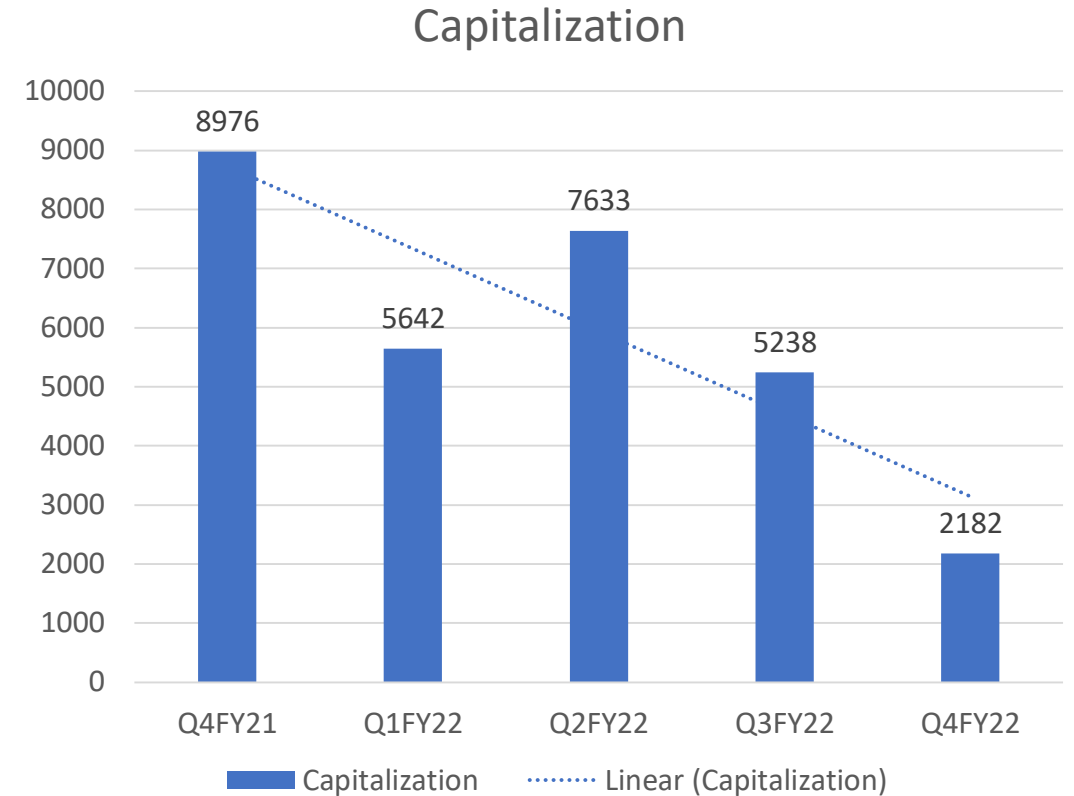
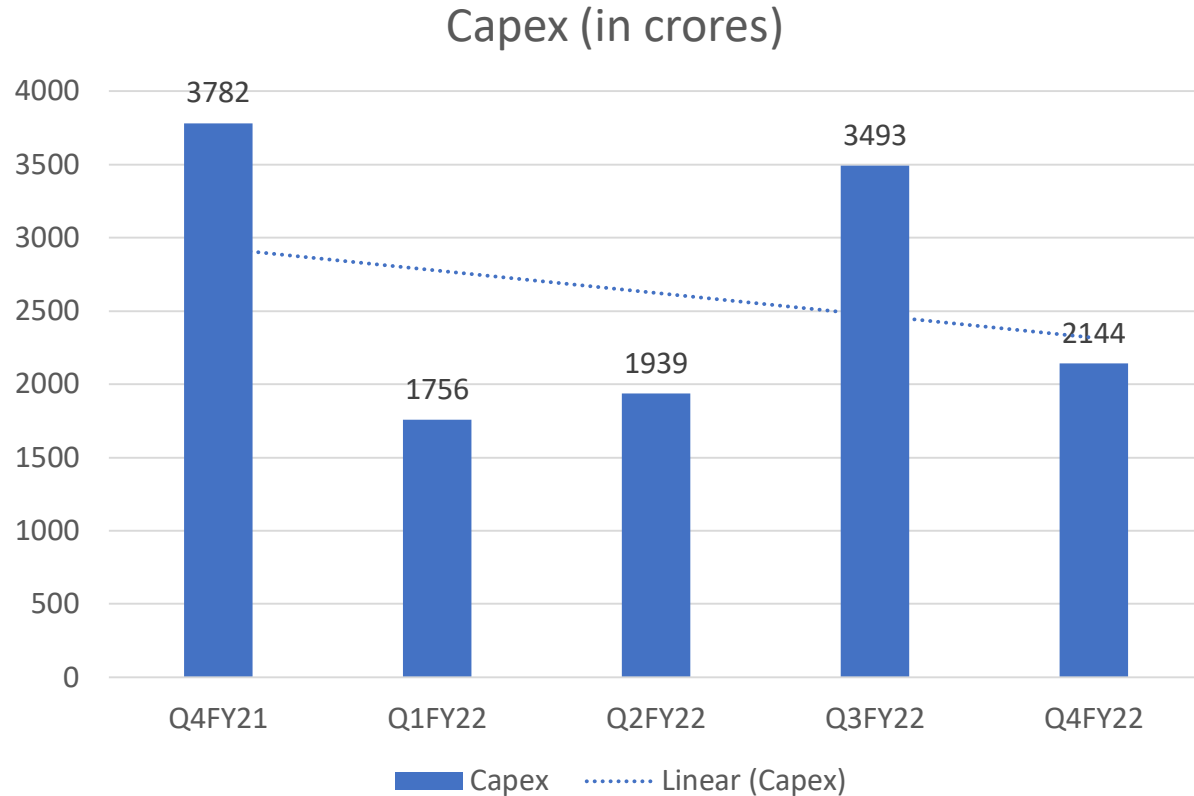
- Revenue increased 1.67% YoY, led by moderate growth in the transmission segment.

EBITDA and EBITDA margin



- Increase in EBITDA and EBITDA margin from Rs 9144 cr to Rs 9551cr and from 85% to 85% on YOY basis due to reduction in employee cost.

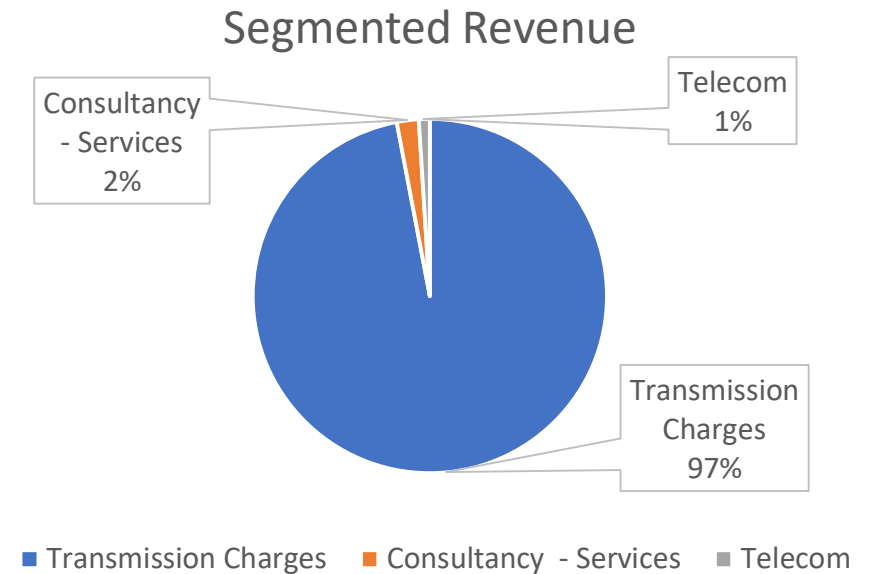
Capex & Capitalization



- Asset capitalization in Q4FY22 came in at Rs. 2182 crores (-75% YoY), while Capex decreased 43.31% YoY to Rs. 2144 crores. The reason for the same is that majority of CAPEX is for expansion of capacity and the new addition of capacity, majorly which has been done in FY20 and FY21. Currently, CAPEX is done as per projects in hand.

Segmented Revenue

Segmented Revenue Rs. Crore	FY22	FY21	YoY %
Transmission Charges	40,976	39,492	3.76%
Consultancy - Services	781	506	54.35%
Telecom	669	783	-14.65%
Revenue from Operations	42,426	40,782	4.03%



- 92 new customers were added to Telecom Segment in FY22.
- The telecom segment revenue falls due to the liquidation of BSNL dues and because of increased competition and reduced rate.
- Expansion into Datacenter business and Pilot data center at Manesar (Haryana).
- Agreements signed for leasing OPGW fiber in West Bengal, Jharkhand, Assam, and Bihar to enable new business opportunities with reliability.
- Under consultancy- agreement with AFRICA-50 - JDA signed for works in Kenya under PPP framework, increasing footprint in 2 new countries like Moldova and Guinea. Gained 6 new orders and 15 ongoing assignments internationally.
- In domestic the consultancy business has received 21 new orders and 68 assignments in hand for FY22.

Earnings Call Highlights

The company declared final dividend of Rs 2.25 per share (FV-10 each). The total dividend of Rs 14.75 per share has been declared including interim dividend of Rs 12.50 per share.

The company has added 5450 ckm(circuit KM) of transmission lines and also added an Inter-Regional Capacity of 7200 MW.

Domestic rating of AAA while international rating from Moody's-Baa3 and S&P Fitch-BBB- in par with sovereign.

The Raigarh – Pugalur-Trichur HVDC Scheme Project has been fully commissioned.

The debt has come down significantly to ~1,15,000 CRS.

Realization rate is 97.98%, where J&K is the major defaulter.

Earnings Call Highlights

There is a reduction in surcharge income because of the reduction of receivables days to 43 days as against the benchmark of 45 days and discoms have paid of major over dues and current dues.

Incorporated new subsidiary Powergrid Energy Services Ltd for engineering consultancy services.

Assets that are monetized are worth Rs 8370 crs.

12 TBCB(Tariff based competitive bidding) companies are under the advance stage of construction with the upcoming opportunity of Rs 31850 crs.

Powergrid has won last year more Mohanlalganj intrastate UP project, but UP government-issued letter of intent last week.

Earnings Call Highlights

Battery Energy Storage System(BESS) is the future project with storage capacity of 1000 MW

Initiated procurement of 1 crore **Smart Metering solutions** with potential opportunity of 25Cr meters ~₹1.5 lakh crore.

Solar Power generation has potential installed capacity at 5 location of 200MW.

Rooftop Solar System has established capacity of 7.6MW at 110 locations with a plan to implement 7.3MW.

The Leh Ladakh project is bifurcated in HODC and transmission line including 1GW storage with the CAPEX of 26000 crs out of which Government of India is giving ~40% grant ie ~9000cr resulting in net project cost of 17000 crs and Initiation of the project is estimated in FY24.

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