

# POWERGRID Infrastructure Investment Trust



**पीजीइन्विट**  
**PGInvIT**

**Investor Presentation**  
**Q2 & H1 FY 2025**



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## **PGInvIT Overview**

Trust Structure

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PGInvIT at a glance

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## **PGInvIT Performance**

Operational

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Financial

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## **Distribution**

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## **Project Updates**

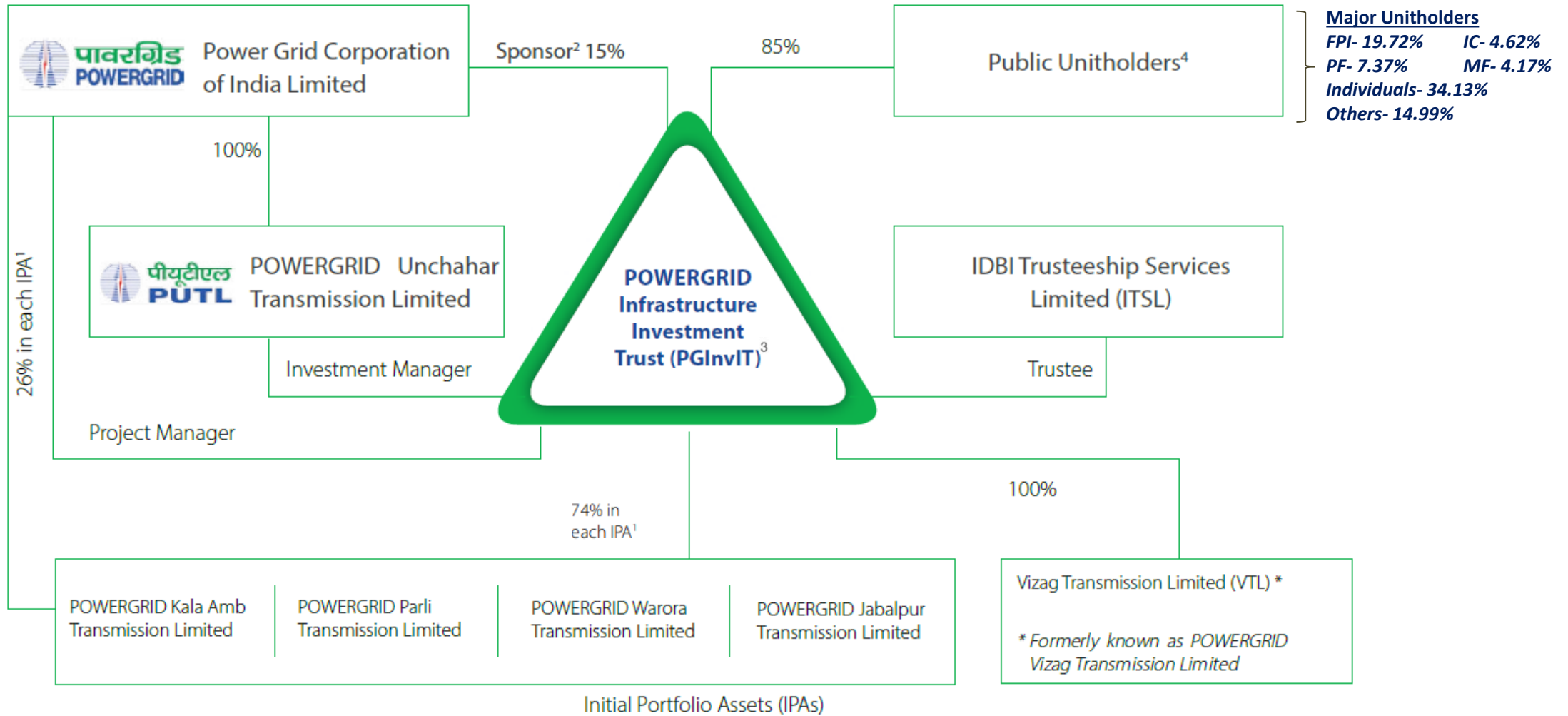
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## **Business Outlook**

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## **Glossary**

(as on Sept 30, 2024)



Notes:

1. Balance 26% stake eligible for acquisition, 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

FPI- Foreign Portfolio Investor; IC- Insurance Cos.; PF- Pension Fund/ Provident Fund; MF- Mutual Funds

*India's 1<sup>st</sup> InvIT sponsored by a CPSE.... confidence of marquee investors....  
....powered by AAA – Assets....Assurance....Advantage*

*Sponsor & Project  
Manager- POWERGRID  
a Maharatna CPSE; one of  
the largest transmission  
utilities, globally*

*5 Operational and Revenue  
Generating ISTS TBCB SPVs*

*Perpetual ownership with  
35-year contract period*

*Availability-based Tariff*

*Billing and Collection  
through CTUIL*

**11 Tr. lines; 3,699ckm  
3 substations;  
6,630 MVA**

**>98%  
Availability since  
DOCO**

**28+ yrs  
Avg. TSA Residual Life  
*(as on Sep-24)***

**Strong governance  
framework**

**Listed on NSE & BSE  
*part of Nifty REITs &  
InvITs Index***

**₹ 82.28 billion  
Enterprise Value**

*(as on Sep. 30, 2024)*

**(0.13)%  
Net Debt/ AUM**

*(as on Sep. 30, 2024)*

**AAA  
Credit Ratings**

**₹ 40.50 per  
Unit\*  
DPU since listing**

*(\* Incl. Rs.3.00 declared in Nov 2024)*

**₹ 12 per Unit  
DPU guidance for  
FY25**

**Experienced  
Investment Manager**

**World Class Project  
Manager**

**Vibrant & Growing  
Power Sector**

**Debt funded  
acquisition strategy**

# PGInvIT- Initial Portfolio Assets



Description	VTL	PKATL	PPTL	PWTL	PJTL
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
% shareholding acquired by PGINVIT	74%- IPO 26%- Mar22	74%- IPO	74%- IPO	74%- IPO	74%- IPO
Lock-in expiry (for Bal. 26%)	<b>January 2022</b>	<b>July 2022</b>	<b>June 2023</b>	<b>July 2023</b>	<b>Jan 2024</b>
Residual Life of TSA (years)	27.33	27.78	28.68	28.78	29.25

5 TBCB projects

11 tr. lines  
3,698.59 ckm

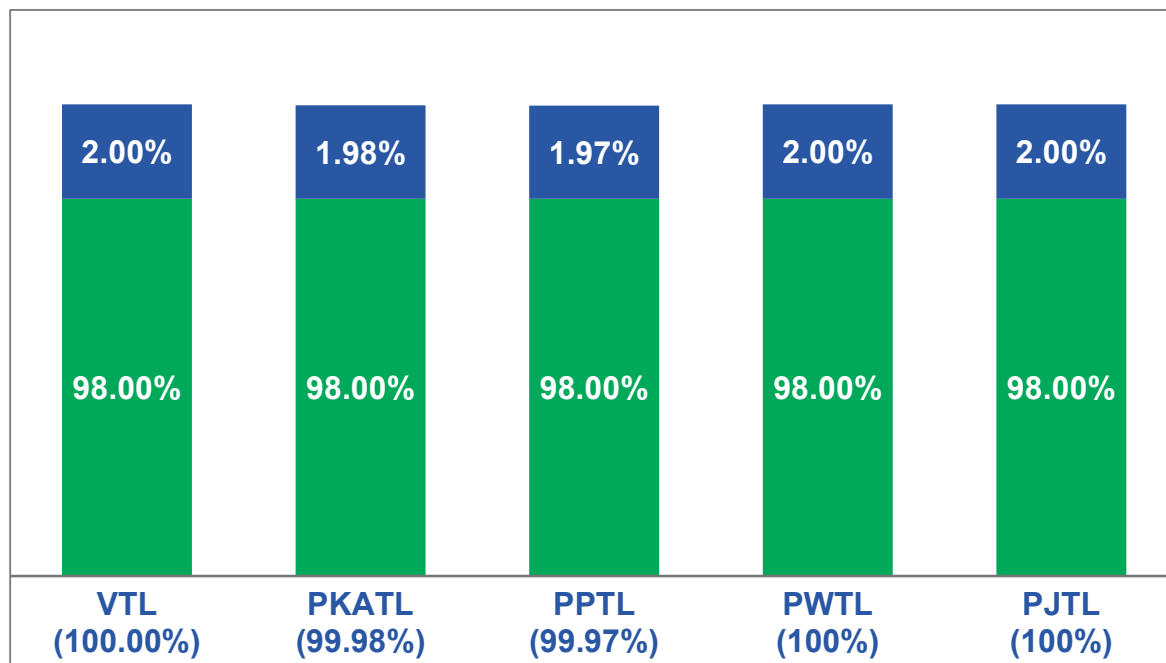
3 Sub-stations  
6,630 MVA

1,955.66 km  
Optical ground wire

28+ years  
Avg. residual life

## Surpassing Availability Goals with POWERGRID's O&M Management for PGIInvIT

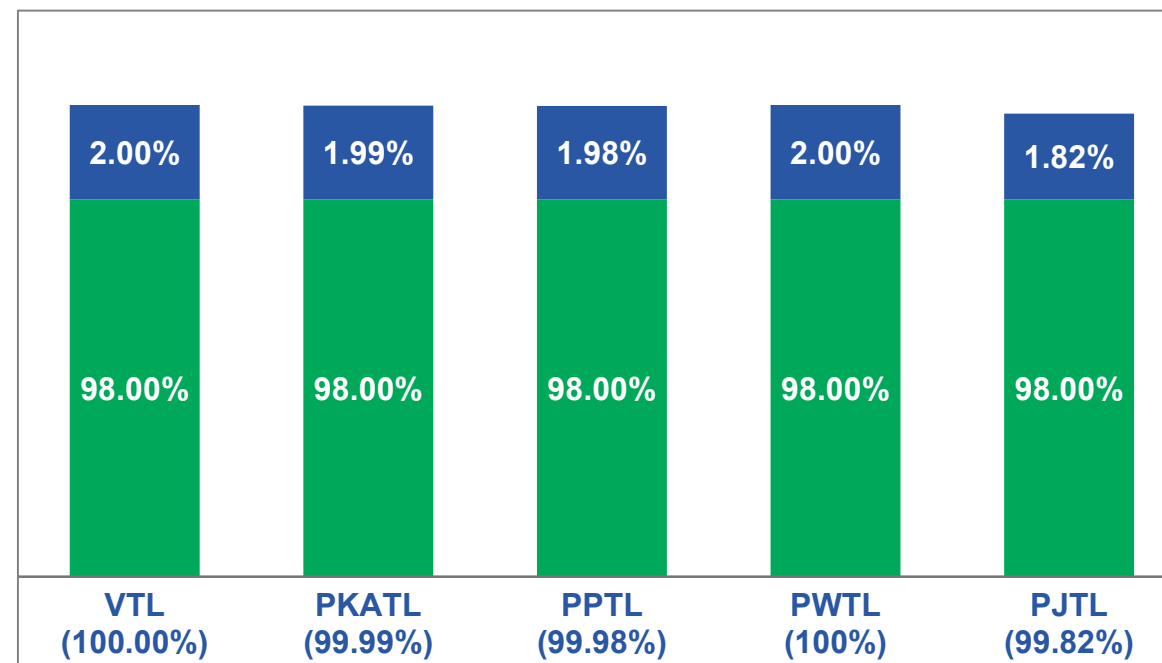
### Avg. Availability\* - Q2FY25



■ Target availability ■ Availability above target availability

\* Provisional. Under Approval by RPC

### Avg. Availability\* - H1FY25



■ Target availability ■ Availability above target availability

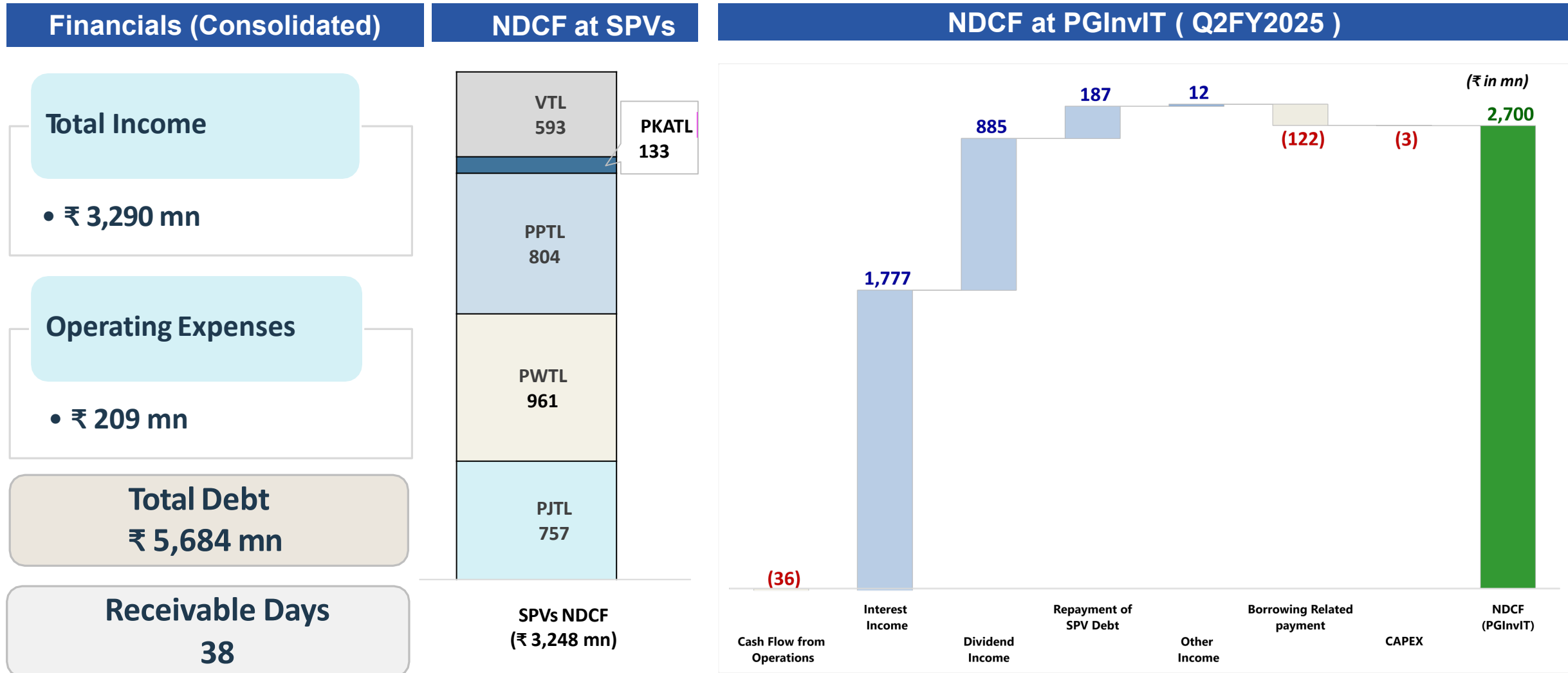
\* Provisional. Under Approval by RPC

**POWERGRID's in-house capabilities help PGIInvIT in Safe & Efficient Operations**

**Average Availability since DOCO**

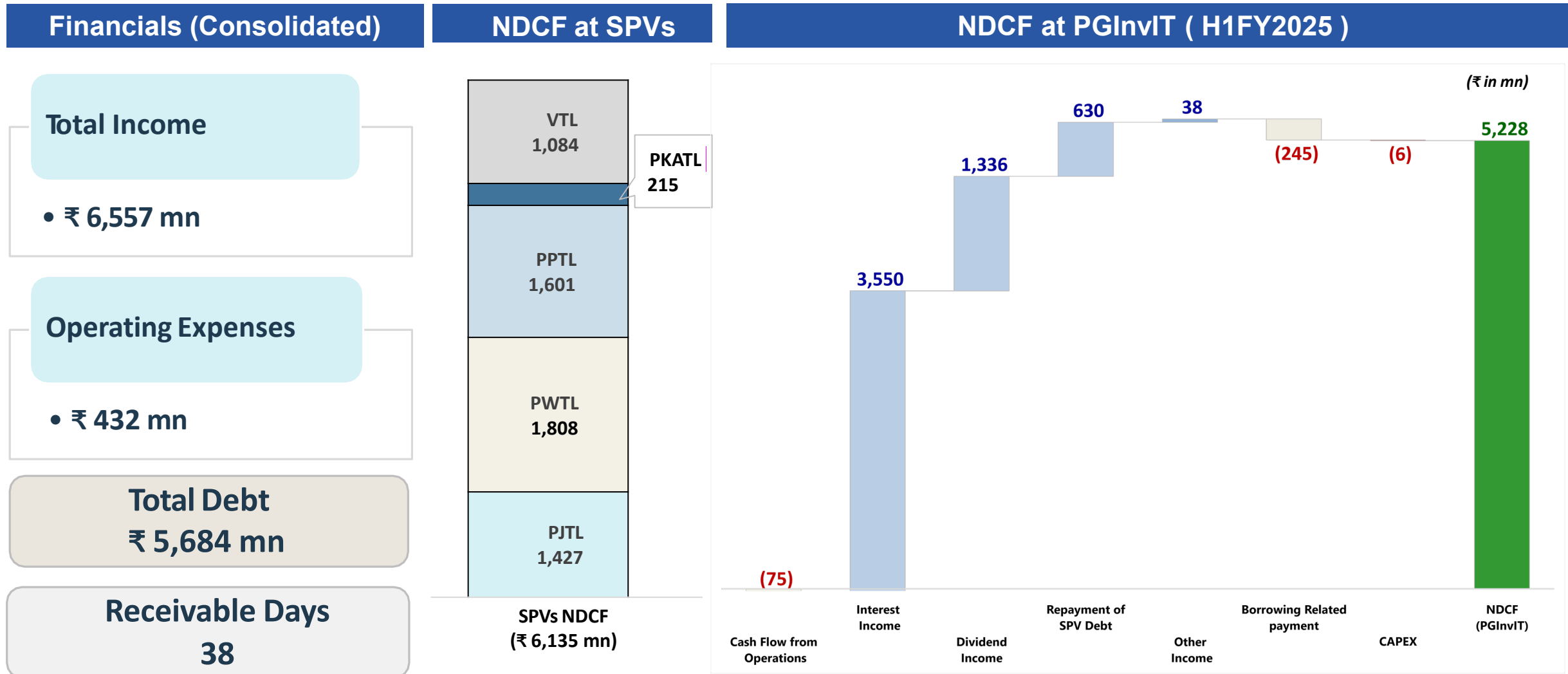
**>98%**

## Financials providing consistent, stable, visible returns for unitholders





## Financials providing consistent, stable, visible returns for unitholders



## External Debt

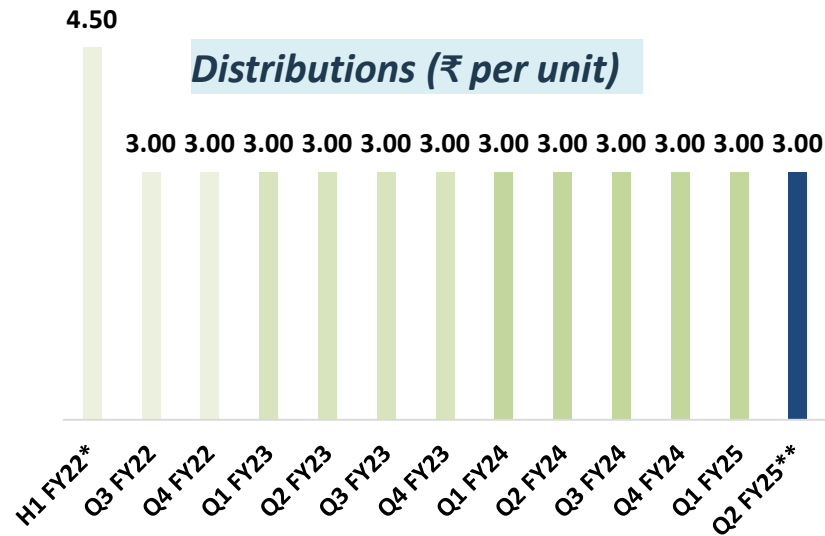
<u>Bank Loan</u> (Drawn in Mar-22)	<u>Rate of Interest</u>	<u>Tenor</u>	<u>Loan Outstanding</u> (as on Sept 30, 2024)
~Rs.5,756 mn	Linked to 3-month T-bill; Reset on quarterly basis	16 years	~Rs. 5,684 mn

Around 75% Debt repayment post 10 years

Interest Rate as on 30.09.2024 : 8.03%

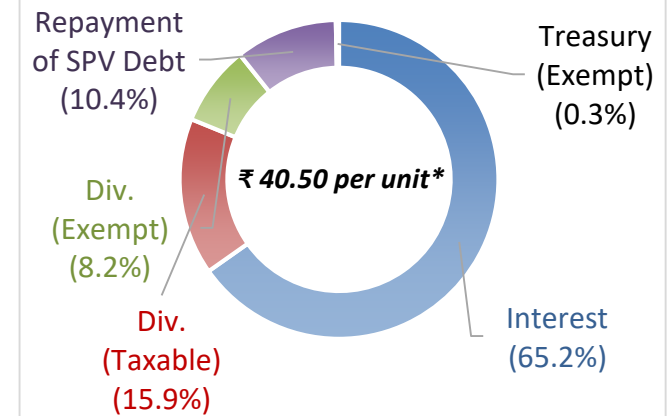
**₹ 3.00  
per unit**

- ₹ 1.91 - Interest
- ₹ 0.60 - Dividend (Taxable)
- ₹ 0.26 - Dividend (Exempt)
- ₹ 0.22 - Repayment of SPV Debt
- ₹ 0.01 - Treasury Income (Exempt)



(\*period May 13, 2021 to Sept 30, 2021)  
(\*\* Rs. 3.00 declared in Nov 2024)

## Total Distribution since IPO



(\* incl. Rs.3.00 declared in Nov 2024)

## Distribution Guidance for FY2024-25: ₹ 12 per unit

### PGInvIT Distribution Policy

- ◆ The InvIT along with its SPVs shall ensure that minimum 90% distribution of NDCF is met for a given financial year on a cumulative periodic basis
- ◆ Distribution to be declared and made not less than once every quarter in every financial year

## 1 x 400 kV line bay at 765/400 kV Parli Substation for RE Interconnection

- Allotted to POWERGRID Parli Transmission Limited on 02.01.2024 by CTUIL.
- Implementation by : 31.12.2025
- Estimated Cost : ~ Rs. 25 Cr.
- Tariff to be determined as per applicable CERC Regulations
- Capital Structure 70% Debt & 30% Equity
- Return on Equity : 15.0% (as per CERC Regulations 2024-29)
- Separate Transmission License - Order issued by CERC for grant of license.
- Contract placed

## Acquisitions

Targeted through debt

Valuation by Independent Valuer

Corporate Governance Framework of PGIInvIT

Policy on Related Party Transactions

### *Factors driving Transmission Sector*

- Increasing Energy Demand
- Addition of RE Generation Capacity
- System Strengthening for Reliability



### *Enablers for PGIInvIT's Debt-funded Acquisition Strategy*

- Significant capacity for leveraging debt in acquisitions
- Strong lender confidence and consistent payment track record
- 'AAA' credit rating from CARE, CRISIL, and ICRA since IPO

Balance 26 % of PKATL, PPTL, PJTL & PWTL

- Approved in Boards of Sponsor & IM, awaiting Unitholder approval

## Opportunities & Challenges

### Asset Sale by Other Developers

- Huge investments, ~₹ 9 lakh Cr., in Transmission sector upto 2032 as per NEP(Transmission)
- Limited Acquisition opportunities at present

### Go's recommendations to States for monetization

- Ongoing policy advocacy with States

### Go's National Monetization Pipeline

Term	Description
<b>AUM</b>	Assets Under Management
<b>ckm</b>	circuit kilometres
<b>CPSE</b>	Central Public Sector Enterprise
<b>CTUIL</b>	Central Transmission Utility of India Ltd
<b>DOCO</b>	Date of Commercial Operation
<b>Q2FY25/Q2FY2025</b>	Quarter ended Sept 30, 2024
<b>PGInvIT</b>	POWERGRID Infrastructure Investment Trust
<b>IM</b>	Investment Manager
<b>InvIT</b>	Infrastructure Investment Trust
<b>IPA</b>	Initial Portfolio Assets (used interchangeably with SPV)
<b>IPO</b>	Initial Public Offer
<b>ISTS</b>	Inter-State Transmission System
<b>MVA</b>	Mega Volt Ampere
<b>NDCF</b>	Net Distributable Cash Flows
<b>OEM</b>	Original Equipment Manufacturer
<b>PJTL</b>	POWERGRID Jabalpur Transmission Limited
<b>PKATL</b>	POWERGRID Kala Amb Transmission Limited
<b>POWERGRID</b>	Power Grid Corporation of India Limited
<b>PPTL</b>	POWERGRID Parli Transmission Limited
<b>VTL</b>	Vizag Transmission Limited (formerly POWERGRID Vizag Transmission Limited, "PVTL")
<b>PWTL</b>	POWERGRID Warora Transmission Limited
<b>RPC</b>	Regional Power Committee
<b>SPV</b>	Special Purpose Vehicle (used interchangeably with IPA)
<b>TBCB</b>	Tariff Based Competitive Bidding
<b>TSA</b>	Transmission Service Agreement

*Thank you*