

CC/PUTL_COS/Stock Exchanges/92

June 30, 2023

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: Notice convening Second Annual Meeting and Annual Report for financial year 2022-23 of POWERGRID Infrastructure Investment Trust

Dear Sir/Madam,

Pursuant to Regulations 22 and 23 of SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended, read with the circulars, notifications and guidelines issued thereunder ("InvIT Regulations"), we wish to inform that the Second Annual Meeting ("AM") of Unitholders of POWERGRID Infrastructure Investment Trust ("PGInvIT") is scheduled to be held on **Monday, July 24, 2023, at 2:30 P.M. (IST)** through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

In accordance with the InvIT Regulations, enclosed please find Notice convening the Second AM of PGInvIT and Annual Report along with annexures for the financial year 2022-23.

Kindly take the above information 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

(An infrastructure investment trust registered with Securities and Exchange Board of India)

Registration Number IN/InvIT/20-21/0016

Principal Place of Business: Plot No. 2, Sector 29, Gurgaon-122001, Haryana

Compliance Officer: Anjana Luthra

Tel: + 91 124 282 3177; e-mail: investors@pginvit.in

website: www.pginvit.in

Notice of Second Annual Meeting

NOTICE is hereby given that the Second Annual Meeting ("AM") of the unitholders (the "Unitholders") of POWERGRID Infrastructure Investment Trust ("PGInvIT") will be held on **Monday, July 24, 2023 at 2:30 P.M. (IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 1: TO CONSIDER AND ADOPT THE AUDITED STANDALONE FINANCIAL STATEMENTS AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF POWERGRID INFRASTRUCTURE INVESTMENT TRUST ("PGInvIT") FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023 TOGETHER WITH THE REPORT OF THE AUDITORS THEREON AND THE ANNUAL REPORT ON ACTIVITIES AND PERFORMANCE OF PGINVIT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

To consider and if thought fit, to pass the following resolution by way of simple majority (i.e., where the votes cast in favour of the resolution are required to be more than the votes cast against the resolution) in accordance with Regulation 22 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended:

"RESOLVED THAT pursuant to the provisions of Regulation 22 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended or supplemented including any applicable circulars, notifications, guidelines and clarifications issued thereunder from time to time and other applicable rules and regulations, if any, including any statutory modifications, amendments or re-enactments thereof for the time being in force, the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of POWERGRID Infrastructure Investment Trust ("PGInvIT") for the financial year ended March 31, 2023 together with the Report of the Auditors thereon and the Annual Report on the activities and performance of PGINVIT for the financial year ended March 31, 2023, be and are hereby received, approved and adopted."

"RESOLVED FURTHER THAT the Board of Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary of POWERGRID Unchahar Transmission Limited, Investment Manager to PGINVIT (the "Investment Manager") be and are hereby severally authorized on behalf of PGINVIT to inform all concerned, in such form and manner as may be required or is necessary and also to execute such agreements, letter and other writings in this regard and to do all acts, deeds, things, and matters as may be required or necessary to give effect to this resolution or as otherwise considered by the Board of Directors of the Investment Manager, to be in the best interest of PGINVIT, as it may deem fit."

ITEM NO. 2: TO CONSIDER AND ADOPT THE VALUATION REPORT ISSUED BY M/S. INMACS VALUERS PRIVATE LIMITED, INDEPENDENT VALUER FOR THE VALUATION OF SPECIAL PURPOSE VEHICLES OF POWERGRID INFRASTRUCTURE INVESTMENT TRUST AS AT MARCH 31, 2023

To consider and if thought fit, to pass the following resolution by way of simple majority (i.e., where the votes cast in favour of the resolution are required to be more than the votes cast against the resolution) in accordance with Regulation 22 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended:

"RESOLVED THAT pursuant to Regulations 13, 21, 22, Schedule V and other applicable provisions, if any, of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended or supplemented including any applicable circulars, notifications, guidelines and clarifications issued thereunder from time to time and other applicable rules and regulations, if any, including any statutory modifications, amendments or re-enactments thereof for the time being in force, the Valuation Report as at March 31, 2023, in respect of Special Purpose Vehicles (SPVs) of POWERGRID Infrastructure Investment Trust ("PGInvIT"), issued by M/s. INMACS Valuers Private Limited, the Independent Valuer, bearing registration number IBBI/RV-E/02/2021/141, be and is hereby approved and adopted."

"RESOLVED FURTHER THAT the Board of Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary of POWERGRID Unchahar Transmission Limited, Investment Manager to PGINVIT (the "Investment Manager") be and are hereby severally authorized on behalf of PGINVIT to inform all concerned, in such form and manner as may be required or is necessary and also to execute such agreements, letter and other writings in this regard and to do all acts, deeds, things, and matters as may be required or necessary to give effect to this resolution or as otherwise considered by the Board of Directors of the Investment Manager, to be in the best interest of PGINVIT, as it may deem fit."

For POWERGRID Infrastructure Investment Trust (PGInvIT)

By Order of the Board

POWERGRID Unchahar Transmission Limited

(as the Investment Manager to PGINVIT)

Sd/-

Anjana Luthra

Company Secretary and Compliance Officer

Date : June 26, 2023

Place : Gurgaon

**NOTES:**

1. Pursuant to circular no. SEBI/HO/DDHS/DDHS_Div2/P/CIR/2023/14 dated January 12, 2023 issued by the Securities and Exchange Board of India ("SEBI"), the Infrastructure Investment Trusts ("InvITs") set up under the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended or supplemented ("InvIT Regulations") have been permitted to conduct meetings of unitholders through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"). Accordingly, the Annual Meeting ("AM") of Unitholders of POWERGRID Infrastructure Investment Trust ("PGInvIT") is being conducted through VC / OAVM. The principal place of business of PGInvIT shall be deemed to be the venue of the AM.
2. As the AM is being conducted through VC / OAVM, physical attendance of the Unitholders has been dispensed with. Accordingly, the facility for appointment of proxies by the Unitholders will not be available for the AM and hence, the proxy form and attendance slip including route map are not annexed to this Notice.
3. An explanatory statement setting out material facts, relating to the business to be transacted at AM is annexed herewith and forms part of the AM Notice.
4. POWERGRID Unchahar Transmission Limited, the Investment Manager of PGInvIT (the "Investment Manager"), has engaged the services of KFin Technologies Limited ("KFinTech"), the Registrar and Transfer Agent ("RTA") of PGInvIT for the purpose of providing facility for voting through remote e-voting, for participation in the AM through VC/OAVM facility and e-voting during the AM.
5. The facility for joining the AM through VC / OAVM shall be available for at least 1,000 Unitholders on first-come-first-served basis. The Unitholders can visit <https://emeetings.kfintech.com> and login through existing User Id and Password to attend the live proceedings of the meeting of PGInvIT.
6. The Notice of the AM along with Annual Report of PGInvIT for Financial Year 2022-23 ("Annual Report 2022-23") is being sent only through electronic mode to those Unitholders whose e-mail addresses are registered with the depositories / depository participants. The Notice of AM and Annual Report 2022-23 are available on the website of PGInvIT at www.pginvit.in and may also be accessed from the relevant section of websites of Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited. The Notice and Annual Report 2022-23 are also available on the website of RTA i.e. <https://evoting.kfintech.com>.
7. For Unitholders whose email addresses are not registered, SMSs, wherever mobile numbers are available, are being sent by the RTA.
8. The Unitholders are being provided with the facility to cast their votes electronically through e-voting services provided by KFinTech on all the resolutions set forth in this Notice. The instructions for remote e-voting are given herein below at Note No. 22. The Investment Manager of PGInvIT has fixed **Monday, July 17, 2023** as the cut-off date ("cut-off date") for identifying the Unitholders who shall be eligible to vote through remote e-voting facility or for participation and voting in the AM. A person whose name appears in the List of Beneficial Owners maintained by the depositories i.e. National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"), as on the close of business hours on the cut-off date shall be entitled to vote on the resolutions through the facility of remote e-voting or participate and vote in the AM and a person who is not a Unitholder as on the cut-off date should treat this Notice for information purposes only.
9. The remote e-voting period commences on **Friday, July 21, 2023 at 9:00 A.M. (IST)** and ends on **Sunday, July 23, 2023 at 5:00 P.M. (IST)**. During this period, Unitholders of PGInvIT as on the cut-off date may cast their vote electronically in the manner and process set out herein below. The e-voting module shall be disabled for voting thereafter. Once the vote on the resolution(s) is cast by the Unitholder, the Unitholder shall not be allowed to change it subsequently. Further, the Unitholders who have cast their vote by remote e-voting prior to the AM may attend the AM but shall not be entitled to cast their vote again. In case a Unitholder casts his/her vote, both by remote e-voting and e-voting at the AM, then the voting done by remote e-voting shall prevail and the e-voting at the AM shall be invalid.
10. The Unitholders who are present at the AM through VC/ OAVM and have not cast their vote on resolutions through remote e-voting prior to the AM and are otherwise not barred from doing so, may cast their vote during the AM through the e-voting system provided by KFinTech through the VC platform during the AM. Kindly refer Note No. 22 for instructions.
11. Any person who acquires units of PGInvIT and becomes a Unitholder of PGInvIT after the dispatch of the Notice, and holds units as on the cut-off date, may obtain the User ID and Password by sending a request at evoting@kfintech.com or contact KFinTech at toll free number 1800-309-4001.
12. The voting rights of Unitholders shall be in proportion to their units of the Unit capital of PGInvIT as on the cut-off date i.e. **Monday, July 17, 2023**.
13. CS Savita Jyoti, (Membership No. F3738 and C.P. No.1796), M/s. Savita Jyoti Associates, Company Secretaries, Hyderabad, has been appointed as Scrutinizer by the Investment Manager, to scrutinise the remote e-voting process and e-voting during AM in a fair and transparent manner.



14. Institutional Unitholders (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned certified true copy (PDF/ JPG format) of the Board Resolution/ Governing body Resolution/Authority Letter etc. together with attested specimen signature(s) of the duly authorized representative(s), authorizing its representative to attend the AM on its behalf and to vote either through remote e-voting or during the AM. The said Resolution/ Authorization should be sent electronically to the Scrutinizer by email to savitajyotiassociates05@gmail.com with a copy marked to evoting@kfintech.com.
15. The results of e-voting shall be declared on or after the AM of PGINVIT and the resolution(s) would be deemed to be passed on the date of AM subject to receipt of the requisite number of votes in favour of the resolution(s).
16. The results of e-voting shall be announced on or before **Wednesday, July 26, 2023**. The said results along with the Scrutinizer's report would be submitted with the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited. Additionally, the results would also be placed on the website of PGINVIT - www.pginvit.in and on the website of remote e-voting agency viz., KFintech – <https://evoting.kfintech.com>.
17. Unitholders who have not registered their email addresses or have not received any communication regarding this AM for any reason whatsoever, may obtain the User ID and Password by sending a request to KFintech (Unit: PGINVIT) at einward.ris@kfintech.com or evoting@kfintech.com or contact KFintech at 1800-309-4001 (between 9:00 A.M. to 5:30 P.M.) or contact PGINVIT at +91 124 282-3177 (on weekdays between 9:00 A.M. to 5:30 P.M.).
18. Documents referred to in this Notice and Explanatory Statement including the Valuation Report and the audited standalone financial statements and audited consolidated financial statements together with the report of Auditors thereon and the annual report on activities and performance are available on the website of PGINVIT at www.pginvit.in.
19. Wherever required or possible, the Unitholders are requested to address all correspondence, including distribution matters, to the RTA, KFintech (Unit: PGINVIT), Selenium, Tower B, Plot No- 31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad Rangareddy, Telangana - 500032, India.
20. Unitholders who have not registered their e-mail addresses so far are requested to register the same with their respective depository participants for receiving all communications including annual reports, notices, circulars etc. from the Investment Manager, on behalf of PGINVIT, electronically and also for the smooth remote e-voting process.
21. Unitholders are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their respective depository participants.
22. **PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AM**
 - (I) **Instructions for Unitholders for Remote e-Voting:**
Details of the process and manner of e-Voting are provided below:
Step 1: Access to Depositories' e-Voting system in case of Individual Unitholders.
Step 2: Access to KFintech e-Voting system in case of Non-Individual Unitholders.

Details on Step 1 are mentioned below:

1) Login method for remote e-Voting for Individual Unitholders

As per SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on 'e-Voting facility provided by Listed Entities', individual demat account holders can access e-Voting facility and cast their vote, by way of single login credential, through their demat accounts / websites of Depositories or Depository Participants.

(I) Login method for remote e-Voting for Individual Unitholders through Depositories

NSDL	CDSL
<p>1. Existing IDeAS Users:</p> <p>(i) Visit URL: https://eservices.nsd.com</p> <p>(ii) Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section.</p> <p>(iii) On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting"</p> <p>(iv) Click on company name or e-Voting service provider i.e. KFintech and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</p>	<p>1. Users who have opted for Easi/ Easiest</p> <p>(i) Visit URL: https://web.cdslindia.com/myeasinew/home/login Or URL: www.cdslindia.com or</p> <p>(ii) Click on New System Myeasi</p> <p>(iii) Login with your registered user id and password.</p> <p>(iv) The user will see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. KFintech e-Voting portal.</p> <p>(v) Click on company name or e-Voting service provider name to cast your vote.</p>


2. Users not registered for IDeAS e-Services

- (i) To register, click on link: <https://eservices.nsd.com>
- (ii) Select "Register Online for IDeAS" or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
- (iii) Proceed with completing the required fields.
- (iv) Follow steps given in point no. 1

2. User not registered for Easi/Easiest

- (i) Option to register is available at <https://web.cdslindia.com/myeasinew/Registration/EasiRegistration>
- (ii) Proceed with completing the required fields.
- (iii) Follow the steps given in point no. 1

3. Users may alternatively vote by directly accessing the e-Voting website of NSDL

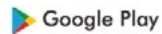
- (i) Open URL: <https://www.evoting.nsd.com/>
- (ii) Click on the icon "Login" which is available under 'Shareholder/ Member' section.
- (iii) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.
- (iv) Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e., KFintech.
- (v) On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.

3. Users may alternatively vote by directly accessing the e-Voting website of CDSL

- (i) Visit URL: www.cdslindia.com
- (ii) Provide your demat Account Number and PAN No.
- (iii) System will authenticate user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account.
- (iv) After successful authentication, user will be provided links for the respective e-Voting service provider, i.e., KFintech where the e-Voting is in progress.

- 4. Unitholders can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on


(II) Login method for remote e-Voting for Individual Unitholders through Depository Participants ("DP")

- 1. Login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-Voting facility.
- 2. Upon Logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.
- 3. Click on Company name or e-Voting service provider i.e. KFintech and you will be redirected to e-Voting service provider (i.e. KFintech) website for casting your vote during the remote e-Voting period.

Important note: Unitholders who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at above mentioned websites.

Helpdesk for Individual Unitholders for any technical issues related to login through Depository i.e., NSDL and CDSL is as under:

Login type	Helpdesk details
Units held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Units held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at +91 22 2305 8738 or +91 22-2305 8542-43



Details on Step 2 are mentioned below:

2) Login method for remote e-Voting for Non-Individual Unitholders

A) Unitholders whose email IDs are registered with Depositories/Depository Participant(s), will receive an email from KFintech which will include details of e-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- (i) Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
- (ii) Enter the login credentials (i.e. User ID and Password). In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-Voting, you can use your existing User ID and password for casting the vote.
- (iii) After entering these details appropriately, click on "LOGIN".
- (iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (v) You need to login again with the new credentials.
- (vi) On successful login, the system will prompt you to select the "EVEN" i.e., "POWERGRID Infrastructure Investment Trust" and click on "Submit".
- (vii) On the voting page, enter the number of units (which represents the number of votes) as on the cut-off date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total unitholding as mentioned herein above. You may also choose the option "ABSTAIN". If Unitholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the units held will not be counted under either head.
- (viii) Unitholders holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat accounts.
- (ix) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as Abstained.
- (x) You may then cast your vote by selecting an appropriate option and click on "Submit".
- (xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Unitholders can login any number of times till they have voted on the Resolution(s).
- (xii) Institutional Unitholders (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF/ JPG format) of the Board Resolution/ Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), who is/ are authorized to vote, to the Scrutinizer by email to savitajyotiassociates05@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name EVENT No."

B) Unitholders whose email IDs are not registered with Depositories / Depository Participants(s): In case of Unitholders who have not registered their e-mail address or become a Unitholder of the PGInvIT after dispatch of AM Notice but on or before the cut-off date for e-Voting, he/she may obtain the User ID and Password in the manner as mentioned below:

- a. If the mobile number of the Unitholder is registered against DP ID Client ID, the Unitholder may send SMS: MYEPWD<space>E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399.
 - i. Example for NSDL - MYEPWD<space>IN12345612345678,
 - ii. Example for CDSL - MYEPWD<space>1402345612345678,
- b. If e-mail address or mobile number of the Unitholder is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Unitholder may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c. KFintech shall endeavour to send User ID and Password to those new Unitholders whose e-mail ids are available.

In case of any query and/ or grievance, in respect of voting by electronic means, Unitholders may refer to

- the 'Help' & 'Frequently Asked Questions' (FAQs) and e-Voting user manual available at the 'Downloads' section of <https://evoting.kfintech.com> OR
- may contact to Mr. Raju S.V, Dy. Vice President of M/s. KFin Technologies Limited, Selenium, Tower B, Plot No-31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad Rangareddy, Telangana - 500032, India OR
- e-mail at einward.ris@kfintech.com or evoting@kfintech.com or call KFintech's toll free No. 1800-309-4001 for any further clarifications.



(II) Instructions for Unitholders for e-Voting during the AM session:

Those Unitholders, who are present in the Meeting through VC and have not cast their vote on resolutions through remote e-Voting, can vote through e-Voting at the Meeting. The Unitholders may vote through the Insta Poll facility that will be made available on the Meeting page (after you log into the Meeting). An icon, "Vote", will be available on the Meeting Screen. Unitholders will be able to cast their vote by clicking on this icon, using the user ID and Password as communicated in the e-mail from KFintech as the credentials.

23. Instructions for the Unitholders for attending the AM through VC / OAVM:

- a. Unitholders will be provided with a facility to attend the AM through video conferencing platform provided by KFintech. Unitholders may access the same at <https://emeetings.kfintech.com/> and click on the "video conference" and access the shareholders/ members login by using the remote e-Voting credentials. The link for AM will be available in shareholder/members login where the EVENT and the name of PGINVIT can be selected.
- b. Please note that the Unitholders who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice.
- c. Unitholders can participate in the AM through their desktops / smartphones / laptops etc. However, for better experience and smooth participation, it is advisable to join the meeting through desktops / laptops with high-speed internet connectivity.
- d. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- e. The facility of joining the AM through VC will be opened 30 minutes before the scheduled start-time of the AM and will not be closed until the expiry of 15 minutes after such scheduled time.

- f. Unitholders who would like to express their views/ ask questions as a speaker at the AM may visit <https://emeetings.kfintech.com> and login through the User Id and Password provided in the mail received from KFintech. On successful login, select 'Speaker Registration', which will be opened from Thursday, July 20, 2023 to Saturday, July 22, 2023. PGINVIT reserves the right to limit the number of Unitholders asking questions depending on the availability of time at the AM. Due to limitations of transmission and coordination during the Q&A session, PGINVIT has dispensed with the speaker registration during the AM.
- g. Unitholders who would like to post their questions may send their queries in advance by visiting at <https://emeetings.kfintech.com> and login through the User Id and Password provided in the e-mail received from KFintech. On successful login, select "Post your Questions", which will be opened from Thursday, July 20, 2023 to Saturday, July 22, 2023. Please note that the Unitholders questions will be answered only if the Unitholder continues to hold the Units as of the cut-off date i.e. Monday, July 17, 2023.
- h. Unitholders who need assistance before or during the AM, can contact KFintech on evoting@kfintech.com or 1800-309-4001 (toll free) or contact Mr. Raju S.V, Dy. Vice President, KFintech through an e-mail request to einward.ris@kfintech.com or evoting@kfintech.com

Registered and Corporate Office and Contact Details of the Investment Manager

POWERGRID Unchahar Transmission Limited

CIN: U65100DL2012GOI246341

Registered Office:

B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi - 110016

Corporate Office:

"Saudamini", Plot No. 2, Sector - 29, Gurgaon - 122001, Haryana

Tel: +91 124 282 3177

E-mail: investors@putl.in

Website: www.putl.in

Principal Place of Business and Contact Details of the Trust

POWERGRID Infrastructure Investment Trust

SEBI Registration Number: IN/InvIT/20-21/0016

Plot No. 2, Sector - 29, Gurgaon - 122001, Haryana

Compliance Officer: Ms. Anjana Luthra

Tel: +91 124 282 3177

E-mail: investors@pginvit.in

website: www.pginvit.in



EXPLANATORY STATEMENT

ITEM NO.1:

The Board of Directors of the Investment Manager to POWERGRID Infrastructure Investment Trust ("PGInvIT") being POWERGRID Unchahar Transmission Limited (the "Investment Manager") at its meeting held on May 25, 2023 has approved the audited standalone financial statements and the audited consolidated financial statements of PGInvIT for the financial year ended March 31, 2023 together with the report of the auditors thereon. Subsequently, the Board of Directors of Investment Manager to PGInvIT at its meeting held on June 26, 2023 has approved the Annual Report on the activities and performance of PGInvIT for the financial year ended March 31, 2023.

Pursuant to Regulation 22(3)(b)(i) of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended or supplemented including any applicable circulars, notifications, guidelines and clarifications issued thereunder from time to time and other applicable rules and regulations, if any, including any statutory modifications, amendments or re-enactments thereof for the time being in force, the latest annual accounts and performance of PGInvIT are required to be approved and adopted by the Unitholders.

None of the directors or key managerial personnel (or their relatives) of the Investment Manager are interested in the aforesaid resolution.

The Board of Directors of the Investment Manager recommends passing of the resolution set forth in Item No. 1 by way of simple majority (i.e. where the votes cast in favour of the resolution are required to be more than the votes cast against the resolution).

Date: June 26, 2023

Place: Gurgaon

ITEM NO.2:

The Board of Directors of the Investment Manager to POWERGRID Infrastructure Investment Trust ("PGInvIT") being POWERGRID Unchahar Transmission Limited (the "Investment Manager") at its meeting held on May 25, 2023 has approved the Valuation Report dated May 17, 2023, as prepared by the Independent Valuer - M/s. INMACS Valuers Private Limited, bearing registration number IBBI/RV-E/02/2021/141, for the valuation of the Special Purpose Vehicle (SPVs) of PGInvIT as at March 31, 2023.

Pursuant to Regulation 22(3)(b)(i) of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended or supplemented including any applicable circulars, notifications, guidelines and clarifications issued thereunder from time to time and other applicable rules and regulations, if any, including any statutory modifications, amendments or re-enactments thereof for the time being in force, the latest valuation report is required to be approved and adopted by the Unitholders.

None of the directors or key managerial personnel (or their relatives) of the Investment Manager are interested in the aforesaid resolution.

The Board of Directors of the Investment Manager recommends passing of the resolution set forth in Item No. 2 by way of simple majority (i.e. where the votes cast in favour of the resolution are required to be more than the votes cast against the resolution).

For POWERGRID Infrastructure Investment Trust (PGInvIT)
By Order of the Board
POWERGRID Unchahar Transmission Limited
(as the Investment Manager to PGInvIT)

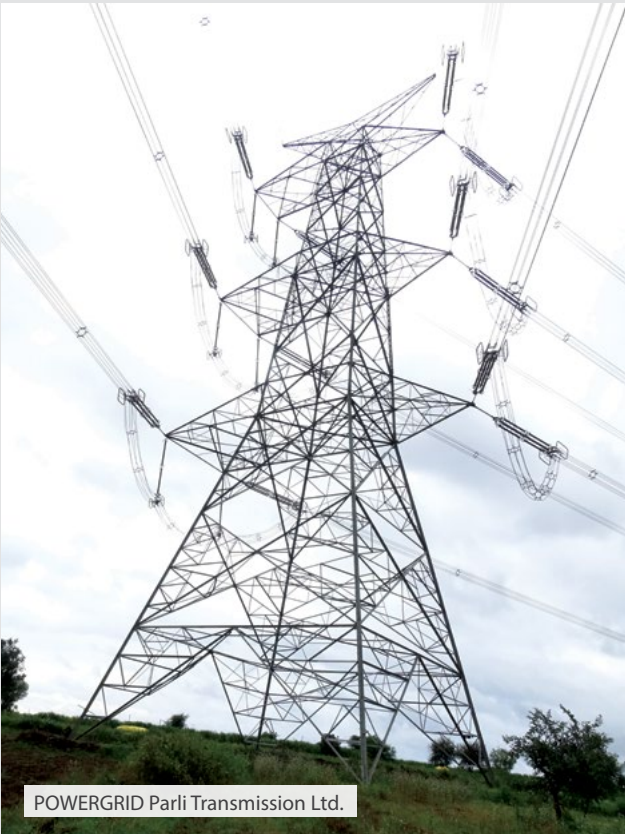
Sd/-
Anjana Luthra
Company Secretary and Compliance Officer

THE POWER OF

Assets Assurance Advantage

ANNUAL REPORT 2022-23

PGInvIT Assets



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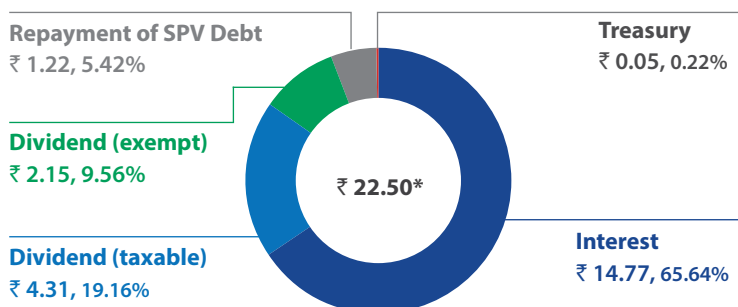


Two Years of Delivering Value

Our business model aims to deliver consistent, stable and visible returns to unitholders. We have successfully demonstrated this over the last two years. Leveraging our stakeholders' expertise to ensure best-in-class operational performance, we have made consecutive distributions fulfilling our commitment and guidance. Our endeavour would be to continue to deliver on our commitments to our unitholders.

OPERATIONAL	ACQUISITIONS	FINANCIAL	UNINTERRUPTED DISTRIBUTION HISTORY
<ul style="list-style-type: none"> Consistently High Availability, Maximising Revenue Accident-free operations Adoption of new technologies 	<ul style="list-style-type: none"> 26% equity shareholding in VTL Additional revenues in 3 SPVs on account of change-in-law Funded through mix of Debt and internal resources 	<ul style="list-style-type: none"> Debt raised at very competitive rates Interest rates renegotiated with lender in January 2023 Low leverage 	<p>7 Consecutive distributions</p> <p>₹ 20,474.98 million Total distribution</p> <p>₹ 22.50 Distribution per unit</p>

TOTAL DISTRIBUTION SINCE IPO (₹ PER UNIT)



(* including ₹ 3.00 declared on May 25, 2023)



UNIT PRICE PERFORMANCE

PGInvIT units are listed and actively traded on both the NSE and BSE. They have delivered a remarkable return of about 42%, including distributions until March 31, 2023 and capital appreciation since the IPO. The Unit Price has outperformed the benchmark indices including the recently launched NIFTY REITs & InvITs Index.

₹122.52

Market price (NSE)

22.52% ↑

increase on Offer Price

42.02%

Aggregate returns on offer price

(including aggregate distribution of ₹ 19.5 per unit from listing up to March 31, 2023)

₹1,11,493.10 million

Market capitalisation

Closing Price on NSE

(as on March 31, 2023)

PGInvIT Units: Constituent of Nifty REITs & InvITs Index (Highest weightage among InvITs)

OUTPERFORMING BENCHMARKS

(From listing to March 31, 2023)





KEY HIGHLIGHTS, FY 2022-23

₹ 13,152.91 million

Total income

₹ 11,026.76 million

Net distributable cash flows

More than 98%

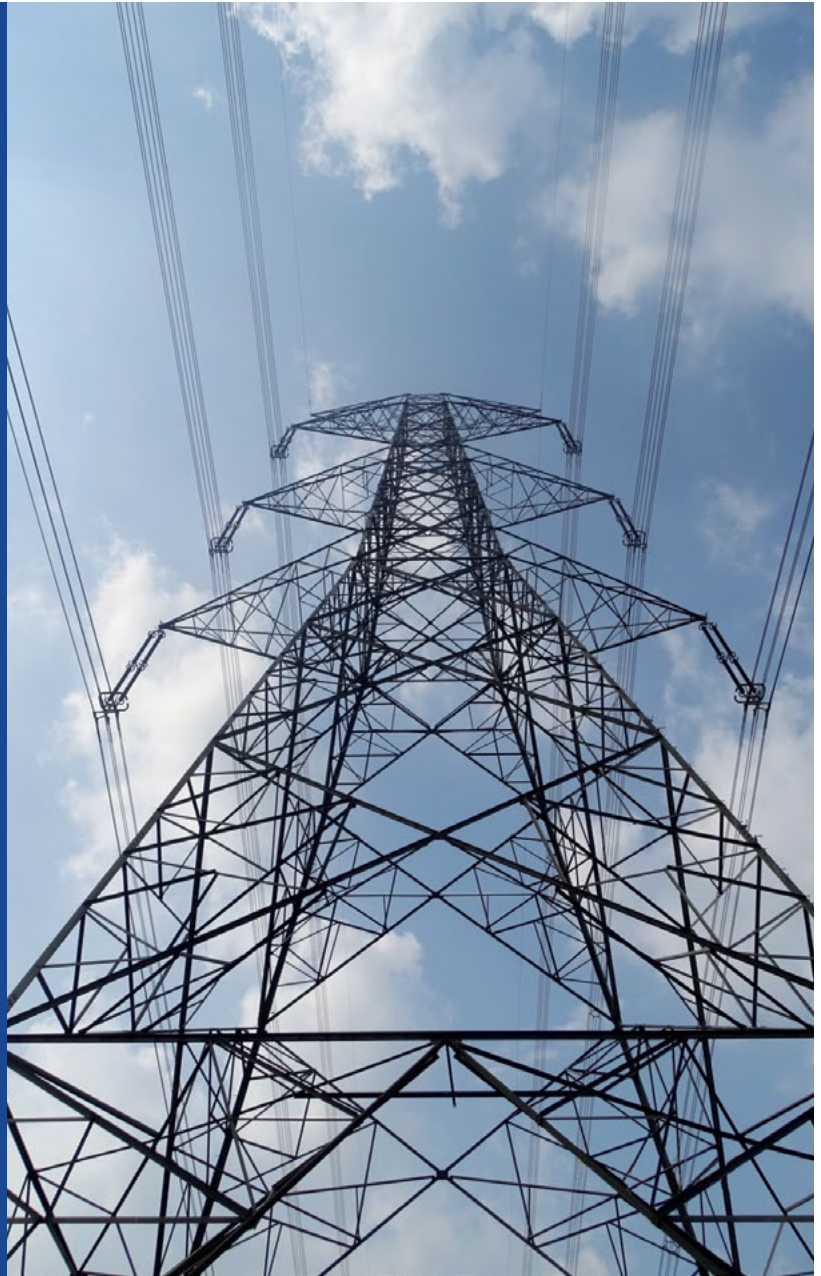
Availability of each SPV

0.91%

Net debt to AUM

₹ 12

Distribution per unit



TOTAL DISTRIBUTION FOR FY 2022-23 (₹ PER UNIT)

Repayment of SPV Debt

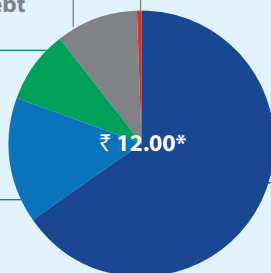
₹ 1.22, 10.17%

Dividend (exempt)

₹ 1.07, 8.92%

Dividend (taxable)

₹ 1.81, 15.08%



Treasury

₹ 0.04, 0.33%

Interest

₹ 7.86, 65.50%

*Including ₹ 3.00 declared on May 25, 2023

₹ 12

Distribution guidance
for FY 2023-24



 **CORPORATE OVERVIEW**

STATUTORY REPORTS

FINANCIAL STATEMENTS



THE POWER OF

Assets Assurance Advantage

The Indian economy is propelling forward at a remarkable pace and along with it the country's energy requirements are surging.

Rising power demand, rapidly increasing share of electricity from non-fossil fuels, policy initiatives of the government towards energy access and domestic manufacturing, and focus on improving financial health of distribution sector, are likely to herald the twenty-twenties decade as the transformational phase in Indian power sector.

The nation's march towards becoming the world's third largest economy while addressing the challenge of climate-change, is set to accelerate in creation of power infrastructure with a focus on renewable.

Against this backdrop, the transmission sector that plays an indisputably critical role in the power sector value chain, is poised to attract huge investments until 2030 for creating necessary infrastructure.

Further, the Government aims to obtain funds for significant capital expenditure by monetizing operational public assets, providing fillip to innovative structures like Infrastructure Investment Trusts (InvITs). Providing investors with a secure mechanism to invest in India's infrastructure assets, InvITs have fast gained prominence among global and domestic institutional investors.

The success of InvITs in mobilising funds for infrastructure development has spurred the Government to issue "Guiding principles for Monetization of Transmission Assets in the Public Sector through Acquire, Operate, Maintain and Transfer (AOMT) based Public Private Partnership model" to the States, enabling them to mobilize funds for infrastructure development.

PGInvIT, established by Power Grid Corporation of India Limited (POWERGRID), a Maharatna CPSE and one of the world's largest transmission utility, was first ever initiative of asset monetisation through InvIT by a CPSE in India. Pursuant to its landmark IPO in 2021, PGINVIT acquired five operating transmission assets from its Sponsor, POWERGRID.

PGInvIT endeavours to own, construct, operate, maintain and invest as an InvIT in India's power and power transmission assets, in a manner to provide consistent, stable and visible returns to our Unitholders and is uniquely positioned to deliver on these commitments armed with the power of AAA – ASSETS with high operational track record, long-term ASSURANCE of revenue generation with minimal regulatory risk and strategic ADVANTAGE of visible cash flows and low leverage. We continue to nurture and harness this advantage to reinforce our attractiveness as a monetisation vehicle and value creation entity.



PGInvIT

Vision to deliver Consistent, Stable and Visible Returns with...



Assets

5 operational and revenue-generating Inter-State Transmission System (ISTS) assets having sound operational track record maintaining high availability, reliability and safety.



Assurance

- Assets implemented under Tariff-Based Competitive Bidding (TBCB) mechanism on Build-Own-Operate-Maintain (BOOM) basis, with 35-year contract period and minimal risk of regulatory reset of transmission charges
- Backing of India's largest transmission utility as Sponsor and Project Manager



Advantage

- Availability based Fixed tariffs pursuant to long term TSAs - High visibility on cash flows
- Low leverage - Debt funded acquisition strategy for upcoming acquisition opportunities



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Message from the Chairman



Dear Unitholders,

I have the pleasure to present before you the Second Annual Report of PGINVT- India's first and only InvIT by a Central Public Sector Enterprise. Set up by POWERGRID as part of Govt. of India's asset recycling strategy for investment led growth, and as a way to provide opportunity to the general public and institutional investors to benefit from and to participate in the growth of the Indian infrastructure sector, PGINVT recently completed two years of listing. It gives me immense pleasure to share that since its overwhelmingly successful initial public offer followed by listing of its units in May 2021, PGINVT has been consistently delivering value to its esteemed Unitholders.

FY 2022-23 was the first full year of operations of the Trust and led by our operational performance, we made four quarterly distributions during the year, aggregating ₹ 12 per unit and successfully meeting our guidance for the year. We have, so far, made seven distributions since our listing and cumulatively, ₹ 22.50 per Unit has been distributed to our Unitholders.

THE POWER OF AAA

PGInvIT, which initially acquired five power transmission SPVs from POWERGRID pursuant to its initial public offer, is powered by fully operational and revenue generating transmission Assets having sound operational track record; Assurance of a 35 year contract period under TBCB mechanism; and backing of POWERGRID, as its Sponsor and Project Manager; and Advantage of availability-based tariffs providing high visibility on cash flows without regulatory uncertainty and very low leverage. Leveraging its unique value proposition of AAA - Assets, Assurance & Advantage, PGINVT is committed to create value for Unitholders.

EMERGING ACQUISITION OPPORTUNITIES

The transmission sector is envisaged to ride the economic growth cycle and is expected to witness huge investments of about ₹ 2.24 lakh crore by 2027-28. The investment, expected to be largely taken up through competitive bidding route, will create acquisition opportunities for an investment vehicle like PGINVT.

In FY 2023-24, we expect to complete the acquisition of balance 26% equity shareholding of the Sponsor in four of our SPVs and we would also be looking forward to any monetisation in case undertaken by our Sponsor through InvIT. We plan to engage with States with regard to monetisation of their operational power transmission assets.

PGInvIT with its distinctive advantages, coupled with highest credit ratings and confidence of investors and lenders, is well positioned to capitalise on the emerging acquisition opportunities.

EMBEDDING ESG PRACTICES

Through our Project Manager, we at PGINVT are assimilating ESG best practices in the operations of our SPVs, and are committed to operating as a responsible corporate citizen. We have set up a robust governance framework and adopted various policies to ensure protection of unitholders' interests. To comply with SEBI's amendment to InvIT Regulations, issued in February 2023, we have updated our existing policies and adopted new policies, both to be effective from April 1, 2023.

GRATITUDE AND APPRECIATION

I would like to thank Govt. of India for its vision to create an investment vehicle like InvIT and providing supportive regulatory and taxation framework. I am thankful to SEBI for its collaborative and participative approach while revisiting regulatory provisions. I am grateful to the fellow Board members for their dedication and continuous support and guidance and to the Investment Manager team. I would like to appreciate Project Manager for excellent management of the assets and would like to thank our Trustee for its continued support. I would like to put on record our appreciation for Shri A.K. Singhal, my erstwhile colleague on the Board who was instrumental with the setting up of PGINVT, and superannuated on March 31, 2023, for his support, knowledge and guidance; and to Shri Purshottam Agarwal, the first CEO of PUTL, who demitted his office on March 02, 2023 and has now joined on the Board with effect from April 1, 2023. I am grateful to the unitholders of PGINVT for their continued trust and confidence, and while assuring them of our unwavering commitment to PGINVT, I seek your continued support in our journey ahead.

Yours Sincerely,

Abhay Choudhary

Chairman



About PGIInvIT

India's First InvIT Sponsored by a Maharatna CPSE

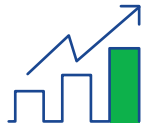
PGInvIT is an Infrastructure Investment Trust (InvIT) established to own, construct, operate, maintain, and invest in assets within India's high-potential power and power transmission sector.

We hold the distinction of being the first InvIT in India sponsored by a Government entity – POWERGRID, a Maharatna CPSE under the Ministry of Power. With the strong support of India's largest power transmission player, a favourable regulatory framework, and our robust financial health, we are positioned strategically to seize the growth opportunities emerging from India's power transmission sector and the government's initiatives for monetization programs.

OUR VISION



To achieve a focussed 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



OUR PROFILE

PGInvIT is a Trust set up under Indian Trust Act, 1882 on September 14, 2020 and registered as an InvIT under the InvIT Regulations on January 7, 2021.

Our units are listed on the NSE and the BSE, following a successful IPO in May 2021. We subsequently acquired 74% equity shareholding in five operational power transmission SPVs from POWERGRID, with agreements to acquire balance equity shareholding after completion of stipulated lock-in period. In March 2022, we acquired the balance 26% shareholding in VTL.

Our five SPVs, forming our Initial Portfolio Assets (IPA), are implemented under TBCB mechanism and have long-term Transmission Service Agreements (TSA). This minimises operating risks and ensures consistent cash flows in the form of both fixed tariffs and additional incentives on maintaining over 98% availability. This ensures steady income generation and positions us to steadily deliver distributions to our Unitholders.

OUR VALUED ASSET PORTFOLIO



5 TBCB

SPVs (ISTS)

6,630 MVA

3 Substation

3,698.59 ckm

11 EHV Transmission Lines

1,955.66 km

Optical Ground Wire



₹ 85.46 billion

Enterprise value

0.91%

Net Debt/ AUM

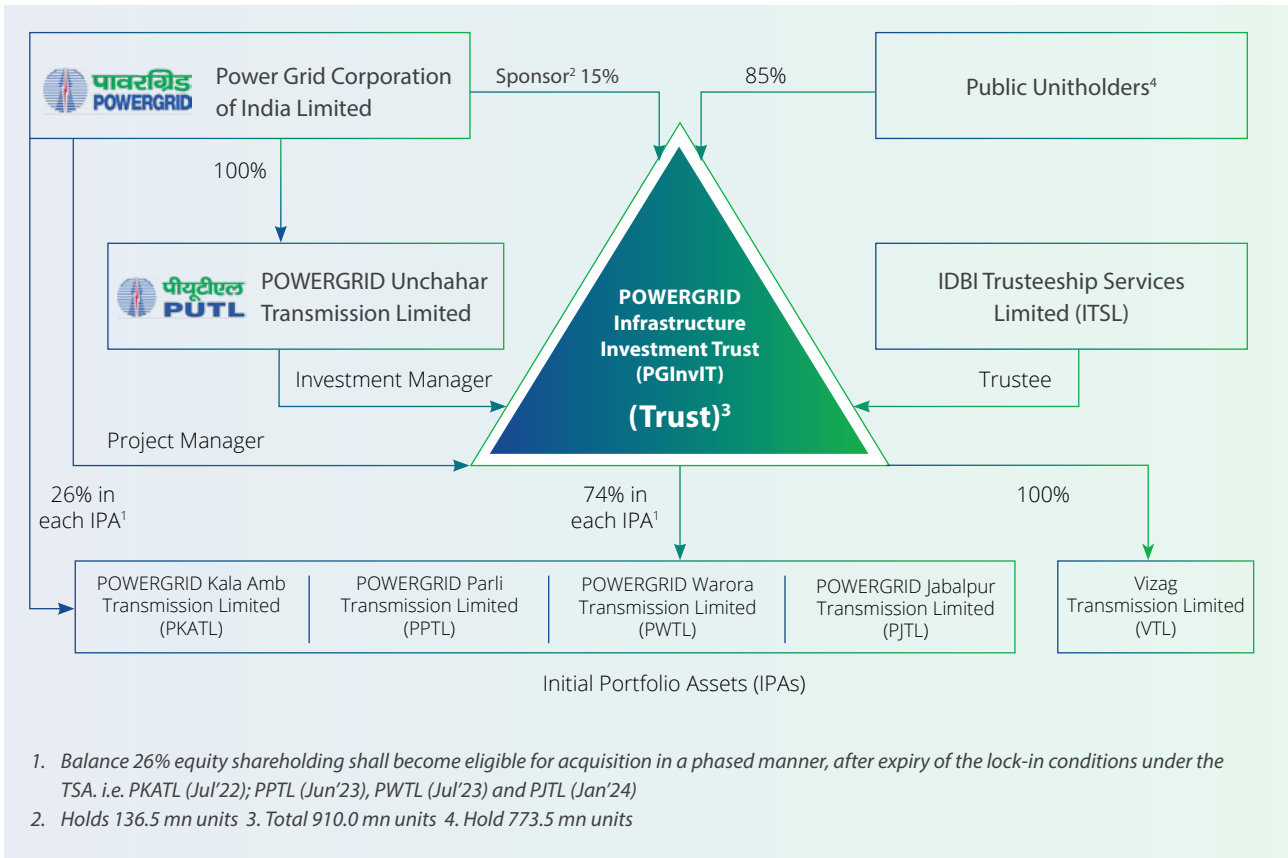
AAA rated

By ICRA, CARE and CRISIL

29+ years

Average Residual Life

PGInvIT STRUCTURE



Our operating model

- The InvIT Assets shall distribute at least 90% of their net distributable cash flows (NDCF) to the Trust
- The Trust shall distribute at least 90% of the Distributable Income to the Unitholders at least once every quarter

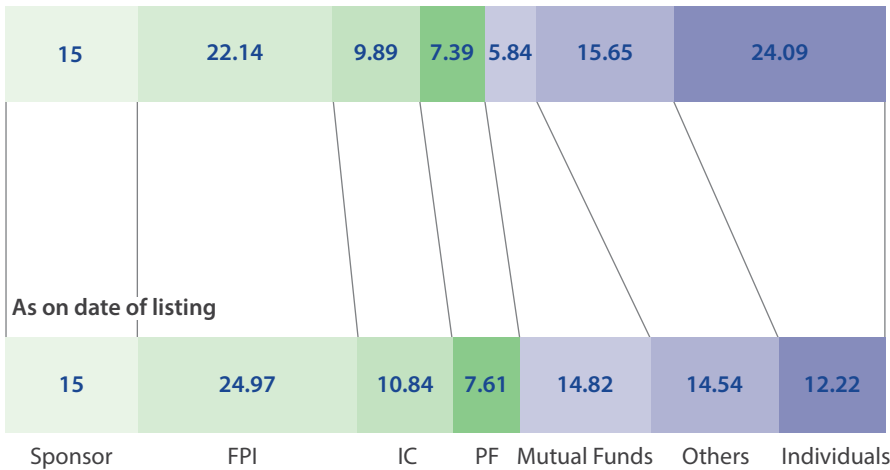


INVESTORS' SUPPORT AND CONFIDENCE

Our unitholder base currently stands at over 80,000 which we believe is one of the largest amongst the public InvITs. This is driven by our reputation, business model and value delivery excellence which have earned us the trust and unwavering confidence of a multitude of investors. Most of our marquee investors from across the globe have continued to maintain their holding since the IPO. Our Sponsor holds 15% of the Units which are locked in for a period of three years from listing, as per InvIT Regulations.

UNITHOLDING PATTERN (%) (TOTAL OUTSTANDING UNITS: 910 MILLION)

As on March 31, 2023



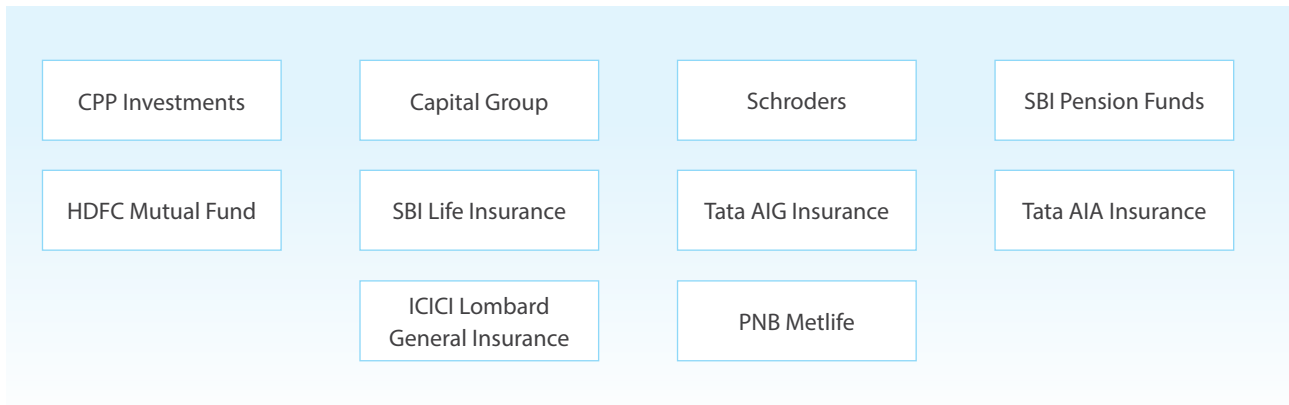
**Confidence of
Individual
Unitholders**

More than
59,000
Individual Unitholders
as on March 31, 2023

FPI - Foreign Portfolio Investors IC - Insurance Companies PF - Pension / Provident Funds

MARQUEE INVESTORS

(Major Unitholders as on March 31, 2023)





Parties to PGINvT

Powered by Proficient Stakeholders

PGInvT's excellence is underpinned by the competencies that prestigious entities bring in as stakeholders. Their experience and market leading position, give us a formidable foundation and empower us in taking right strategic decisions in the best interests of our esteemed Unitholders.

Sponsor and Project Manager



Power Grid Corporation of India Limited (POWERGRID)

Our Sponsor, POWERGRID, is a Maharatna Central Public Sector Enterprise (CPSE) under the aegis of Ministry of Power, GoI and is listed on NSE and BSE. It engages in design, financing, construction, operation, and maintenance of power transmission projects across India and is amongst the largest global transmission companies. It also offers transmission and distribution consultancy services with footprints in 23 countries, besides also operating in the Indian telecom infrastructure sector.

POWERGRID's success is driven by a robust leadership team. Its highly experienced, professional government-appointed

directors having industry and social connections, drive overall directions with their strategic insight. The management team possesses deep domain knowledge of technical and financial aspects of the transmission business, and are instrumental in its successful track record of negotiating, structuring, and financing power transmission investments.

POWERGRID's strengths provide us a competitive advantage, helping us to enhance efficiency and foster strong industry relationships.

51.34%
GoI Shareholding

Largest
transmission utility
in India

3rd largest¹
Central Public Sector
Enterprise in India

>85%²
share in India's cumulative
inter-regional power
transfer capacity

Highest³
market share in number of
ISTS projects under TBCB
mechanism

**Prestigious
indices inclusion**
NSE 50
BSE Sensex
Various ESG indices

Certifications

PAS 99:2012
Integrated Management
System

ISO 14001:2015
Environmental
Management System

SA 8000:2014
Social Accountability
Standard

ISO 27001:2013
Information Security
Management System

ISO 9001:2015
Quality Management
System

ISO 45001:2018
Occupational Health
and Safety Management
System

ISO 50001:2018
Energy Management
System

¹ In terms of Gross Block as per DPE (GoI) PE Survey 2021-22

² As per POWERGRID for Q4 FY 2022-23 Investor Presentation

³ Based on CEA report March 2023



POWERGRID'S HIGHLIGHTS

1,74,113 ckm

>1,450 Transmission lines

4,99,360 MVA

272 Substations

99.82%

Availability of transmission system in FY 2022-23

4,000 MW

Cross Border Interconnection with neighbouring countries

12

Operational TBCB projects (10 ISTS; 2 InSTS)

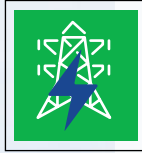
20

Under construction TBCB projects (17 ISTS; 3 InSTS)

31+ years

Power transmission experience

ROLE AND RESPONSIBILITY



As Sponsor

- To set up the InvIT
- To Execute Trust Deed with Trustee



As Project Manager

To enter into Project Implementation and Management Agreement to operate, maintain and manage PGINVIT Assets

- Implementation, development, routine operation and maintenance and preventive maintenance of IPAs along with providing required tools and plants
- Billing and collection, administrative function, procurement, legal support, regulatory support and engineering services
- Breakdown rectification works
- Provide emergency restoration system on demand, subject to availability
- Comply with applicable environmental regulations and standards
- Ensure a safe and healthy working environment with socially acceptable practices

**The roles and responsibility are indicative. Detailed role and responsibilities are in accordance with applicable InvIT Regulations*

**There has been no change in the Sponsor and Project Manager during the period*

Investment Manager



POWERGRID Unchahar Transmission Limited (PUTL)

PUTL, a wholly-owned subsidiary of POWERGRID, has been engaged in the power transmission business since FY 2013-14. Bringing in rich experience in the construction and operation of transmission systems, it possesses necessary expertise to handle the complexities of the industry.

** There has been no change in the Investment Manager during the period.*

** There has been no erosion in the networth of the Investment Manager during the period*

** The roles and responsibility are indicative. Detailed role and responsibilities are in accordance with applicable InvIT Regulations*

ROLE AND RESPONSIBILITY

To enter into Investment Management Agreement

- Managing the Trust and the Initial Portfolio Assets
- Setting strategic direction, including in relation to future acquisitions, divestment, or enhancement of assets
- Coordinating with Trustee for various operations
- Conducting business efficiently in the best interest of the Unitholders
- Maintaining proper books of accounts, documents and records and ensuring audits

TRUSTEE

IDBI Trusteeship Services Limited (ITSL)

ITSL is a trusteeship company registered as a debenture trustee under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993. Promoted on February 14, 2017 by IDBI Bank Ltd., Life Insurance Corporation of India and General Insurance Corporation of India, it provides trusteeship services to diverse industries, domestic and foreign banks and financial institutions.

** There has been no change in the Trustee during the period*

** The roles and responsibility are indicative. Detailed role and responsibilities are in accordance with applicable InvIT Regulations*

ROLE AND RESPONSIBILITY

To execute Trust Deed with Sponsor

- Ensuring that business activities and investment policies comply with the provisions of the InvIT Regulations, including the distribution of dividends and voting
- Appointing Investment Manager and Project Manager in accordance with the InvIT Regulations and applicable law
- Monitoring the activities of Investment Manager (in terms of the Investment Management Agreement) and Project Manager (in terms of the Project Implementation and Management Agreement)
- Provide SEBI and stock exchanges such information, as sought by them


Investment case

Built for long-term success and value delivery


STRONG PARENTAL BACKING

Our Sponsor and Project Manager, POWERGRID, brings in 31+ years of expertise in power transmission and strong credentials in the TBCB mechanism, giving us a competitive edge. Holding the prestigious Maharatna status that grants it strategic and operational flexibility and enhanced financial autonomy for investment decisions, it plays a vital role in Gol's ambitious vision of strengthening India's power sector.

Benefit to PGIInvIT

Leveraging its O&M expertise in transmission systems, we achieve high operational efficiency across our IPAs. Besides, being Sponsor with an obligation to hold a minimum of 15% of InvIT units for three years from listing, ensures their commitment to the Trust.

31+ years

POWERGRID's experience in power transmission sector


CASH FLOW RESILIENCE

India's power transmission segment operates under a robust regulatory framework with provisions for availability-based payment structure, minimal counterparty risk and payment security mechanism.

Benefit to PGIInvIT

We benefit with lower risks and sustained healthy cash flows due to favourable regulation. Long-term 35-year TSAs for each asset along with incentives for exceeding targeted availability levels, further enhances visibility, stability and quantum of cash flows.

29+

Average remaining life of assets providing cash flow visibility


ANCHORED IN SOLID FINANCIAL POSITION

Our minimal external borrowing and healthy cash flows visibility have earned us AAA credit rating from ICRA, CARE and CRISIL.

Benefit to PGIInvIT

Our low leverage gives ample headroom to pursue debt-funded acquisition and growth strategy without diluting Unitholders' interest. A high credit rating coupled and strong liquidity position further ensures securing funds at competitive rates.

0.91%

Net Debt / AUM
as on March 31, 2023

AAA

Credit rating from ICRA, CARE and CRISIL



STRATEGICALLY POSITIONED TO CAPTURE OPPORTUNITIES

The Gol's ambitious National Monetisation Pipeline, focussed on unlocking value of assets through monetisation of assets, is aimed at driving investments in the infrastructure sector. As a part of the initiative, our Sponsor has been assigned annual monetisation targets, and InvITs are seen as a preferred mode of monetisation. Additionally, Gol has also requested the state governments to monetise their respective state transmission assets for funding their investments.

Benefit to PGIInvIT

As a ready vehicle, we can be a preferred route of monetisation for various entities offering the advantage of short turnaround and existing investor base. Sustained growth of power transmission sector will further enhance pipeline opportunities, and empower our acquisition-led growth strategy.

₹2.4 lakh crore

Investments in Power Transmission by FY 2027-28, providing us opportunity to grow



DEMONSTRATED PERFORMANCE RECORD

Our Project Manager has leveraged its expertise to implement best-in-class O&M and safety practices across all our IPAs.

Benefit to PGIInvIT

Operational best practices have resulted in our portfolio assets consistently operating above targeted availability of 98%, earning us steady revenues and incentives. Further, all our assets, which are in the regulated power transmission sector, have low operating risk and O&M expenditure.

98%+

Availability across all SPVs since their operationalisation



SEASONED INVESTMENT MANAGER

Our Investment Manager, POWERGRID Unchahar Transmission Limited (PUTL), has extensive management and operational experience in power transmission.

Benefit to PGIInvIT

PUTL's professional expertise empowers us to make prudent investment decisions and efficiently manage our assets. Their robust corporate governance framework and policies for related-party transactions, distribution and borrowings help safeguard the interest of the Trust and its unitholders.

25+ years

Average experience of PUTL team





Leadership

Our Esteemed Board



Abhay Choudhary

Non-Executive (Non-Independent)
 Chairman
 w.e.f. June 01, 2022

He is an electrical engineering graduate from NIT Durgapur and holds a Post Graduate Diploma in Management from IMT Ghaziabad. He is currently the Director (Projects) in POWERGRID. In his earlier roles, he was the Executive Director (Commercial & Regulatory Cell) along with charge of CMD Coordination Cell and the Executive Director of the North-Eastern Region in POWERGRID. He has 36 years' experience in the power sector, and has worked in EHV Substations and Transmission lines, both as an Operation & Maintenance executive and a construction engineer. He also had a stint with NTPC for about six years.



Purshottam Agarwal

Non-Executive
 (Non-Independent) Director
 w.e.f. April 01, 2023

He holds the commerce degree from Ranchi University, a qualified chartered accountant and a member of the Institute of Chartered Accountants of India. He has over 29 years of experience in finance and accounts, including corporate accounts, budgeting, financial concurrence, fund raising from capital markets and enterprise resource planning systems. He is currently the Executive Director (Finance) in POWERGRID. Prior to this, he was the Chief Executive Officer of PUTL, the Investment Manager to PGIInvIT and has been instrumental in setting up PGIInvIT, the first InvIT by a Government entity.



Onkarappa KN

Independent Director

He is a Graduate in Arts from Kuvempu University, Shimoga, Karnataka. An Educationalist by profession, he has experience of more than 35 years in education and varied related fields. He is the Founder & President of Chetana Vidya Samaste, Davanagere. He has also been Director and Senator of various Universities.



Ram Naresh Tiwari

Independent Director

He has dual Master's Degree in History from Bundelkhand University, Jhansi and Journalism from Barkatullah University, Bhopal. He is an agriculturist by profession. His area of interest includes research, development and implementation of technology adoption in the area of agriculture, mixed farming, business cooperative activities, social & agricultural welfare management, etc.



Seema Gupta

Non-Executive
 (Non-Independent) Chairperson
 (During the reporting period,
 up to May 31, 2022)



Ashok Kumar Singhal

Non-Executive
 (Non-Independent) Director
 (During the reporting period,
 up to March 31, 2023)



Key personnel

An Experienced Team



Sanjay Sharma

Chief Executive Officer
w.e.f. March 02, 2023

He is B. Tech (Electrical) graduate from G B Pant University of Agriculture and Technology, Pantnagar. He has over 30 years of experience in commercial, regulatory, contracts management, telecom marketing, funding, corporate planning and strategy, capital market issuances and investor relations. He joined PUTL in September 2020. He has been associated with PGINVT since inception. Prior to this, he was Senior General Manager (Corporate Planning) in POWERGRID, the holding company of PUTL.

Other Key Personnel

Amit Garg

Chief Financial Officer

He has over 26 years of experience in corporate accounts, corporate banking, investment appraisals, financial concurrence, formulation of capital budgets, resource mobilisation, tariff-based bidding and enterprise resource planning. He has been associated with PGINVT since inception.

He is B. Com from Delhi University and has post graduate diploma in business management from the Institute of Integrated Learning in Management, New Delhi.

D. Lucius

General Manager

He holds a bachelor of technology degree in electrical engineering from Nagarjuna University, Guntur. He has over 25 years of experience in the fields of Operations & Maintenance of 400 kV substations and transmission lines in power transmission sector and public procurement and contractual management in the power transmission sector for projects through multilateral funding and buyer's credit, consultancy project. He joined as key personnel of the Investment Manager on June 13, 2022.

Anjana Luthra

Company Secretary &
Compliance Officer

She has over 21 years of experience in corporate secretarial and legal functions including statutory compliances, formation of new ventures, corporate governance, mergers and takeovers, regulatory liaising, financial planning and funds management, structuring of commercial contracts, loan agreements and other transaction specific agreements, intellectual property rights and litigation. She has been associated with PGINVT since inception.

She has a B. Com (honours) degree and a bachelor of laws degree from Delhi University and is also qualified company secretary and a member of the Institute of Company Secretaries of India.

Shri Purshottam Agarwal ceased to be Chief Executive Officer w.e.f. March 02, 2023

2

Our Portfolio Assets: Profile and Performance

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Overview of Initial Portfolio Assets

22
Vizag Transmission Limited

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POWERGRID Kala Amb Transmission Limited

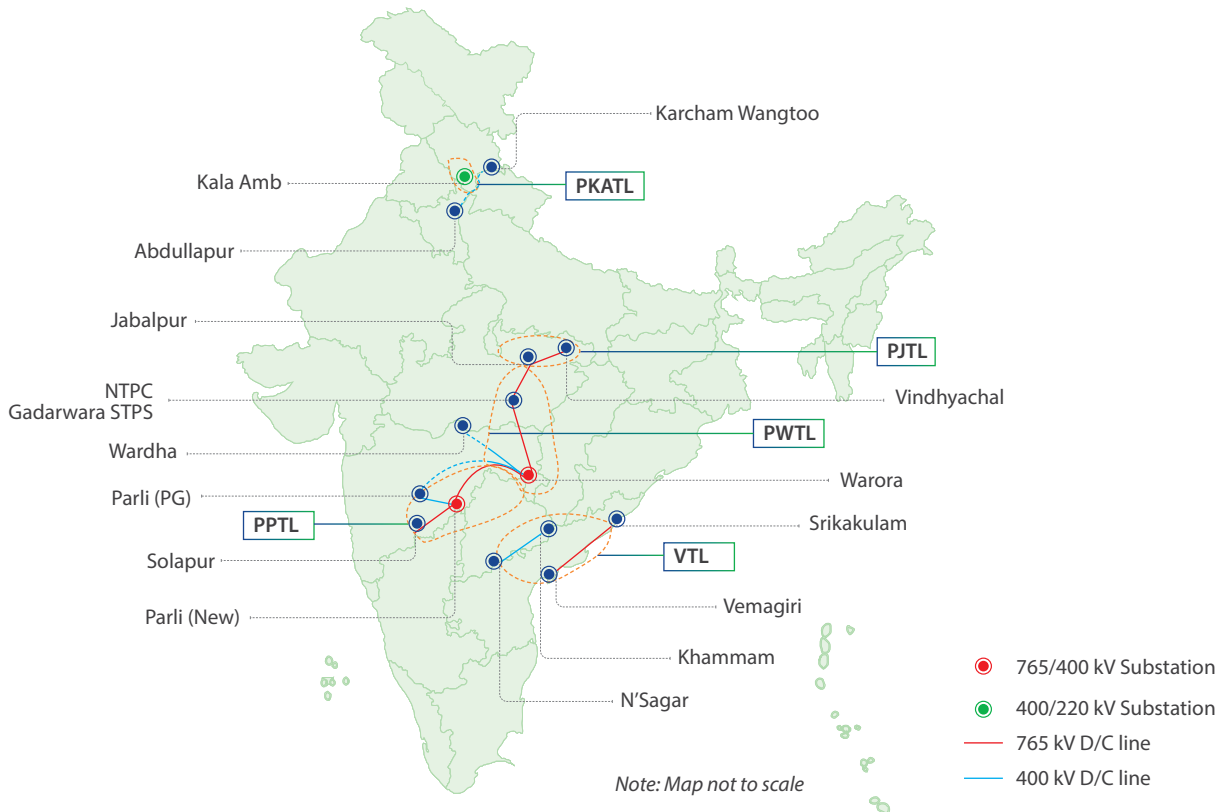
24
POWERGRID Parli Transmission Limited

25
POWERGRID Warora Transmission Limited

26
POWERGRID Jabalpur Transmission Limited

Overview of Initial Portfolio Assets

We have five high performing power transmission assets in our portfolio. These assets, implemented under the government's TBCB mechanism, were acquired from our Sponsor, POWERGRID. They are located in five states of India, and are either grid strengthening links, generation-linked assets, and assets linked with inter-regional power flow.



A SNAPSHOT OF OUR PORTFOLIO

SPV	Vizag Transmission Limited	POWERGRID Kala Amb Transmission Limited	POWERGRID Parli Transmission Limited	POWERGRID Warora Transmission Limited	POWERGRID Jabalpur Transmission Limited
Location	Andhra Pradesh and Telangana	Himachal Pradesh	Maharashtra	Madhya Pradesh and Maharashtra	Madhya Pradesh
Line Length (ckm)	956.84	2.47	966.12	1,028.11	745.05
Transformation capacity (MVA)	-	630	3,000	3,000	-
Remaining TSA Life (years)	28.83	29.28	30.18	30.28	30.75
Gross Block (₹ million)	13,097.66	3,344.57	19,283.14	23,483.06	16,407.57
FY 2022-23 Revenues (₹ million)	2,455.37	695.10	3,419.49	3,850.47	2,675.48
Contribution to FY 2022-23 revenues	18.75%	5.31%	26.11%	29.40%	20.43%
Shareholding acquired	100%	74%	74%	74%	74%
Lock-in expiry (for balance 26% shareholding)	Completed	July 2022	June 2023	July 2023	January 2024



956.84 ckm

Length of transmission lines

28.83 years

Remaining TSA tenure
as on March 31, 2023

99.96%

Availability in FY 2022-23



Vizag Transmission Limited

- PROJECT MILESTONES**
- Incorporation date:
November 30, 2011
 - TSA date:
May 14, 2013
 - Transmission
license date:
January 8, 2014
 - Commercial
operation date:
February 1, 2017

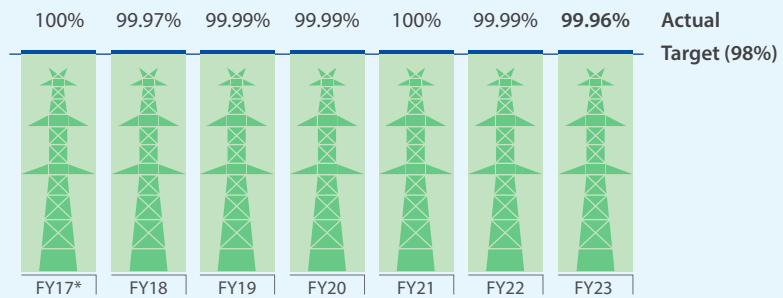
PROJECT DETAILS

Transmission system for system strengthening in the Southern Region of India for import of power from the Eastern Region of India. It has a total transmission line length of 956.84 ckm including:

- 765 kV D/C transmission line of 668 ckm from Srikakulam to Vemagiri in Andhra Pradesh (AP)
- 400 kV D/C transmission line of 288.84 ckm from Khammam (Telangana) to Nagarjuna Sagar (AP)

ASSET PERFORMANCE

Availability



*February-March 2017

2.47 ckm

Length of transmission lines

630 MVA

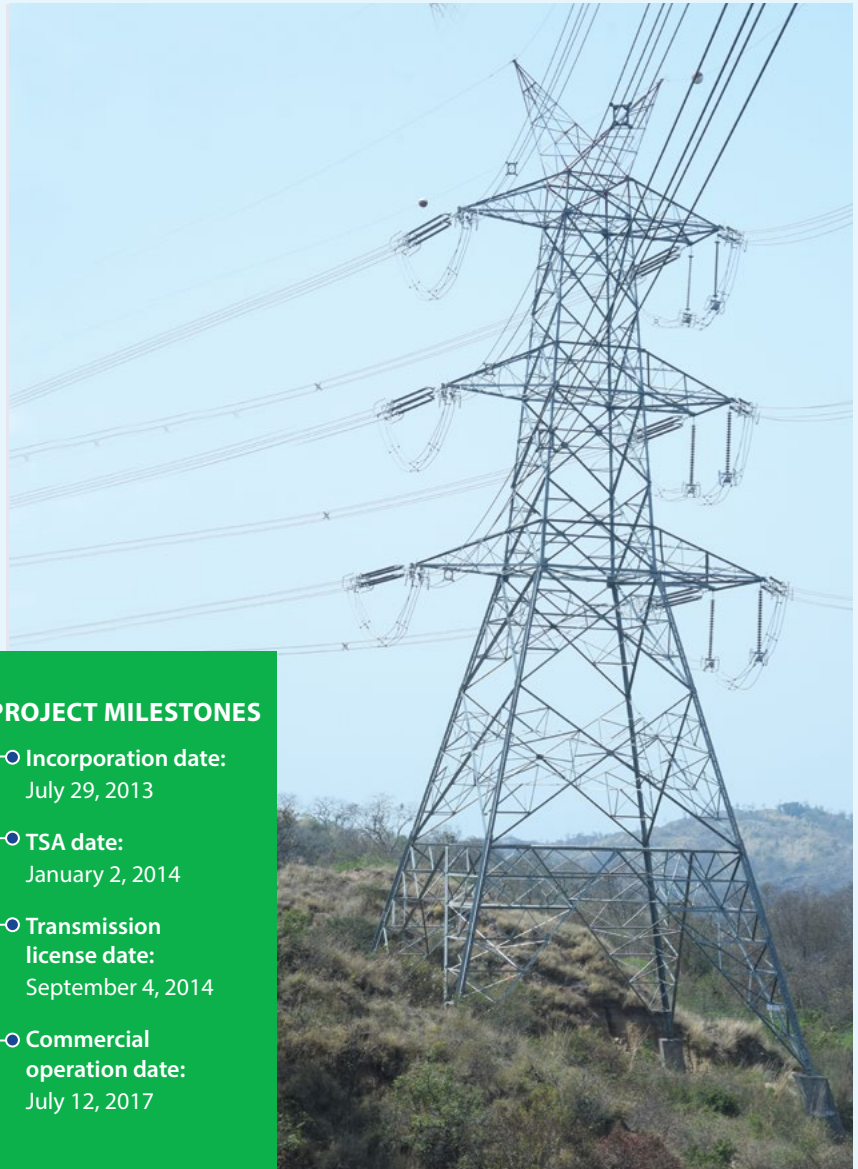
Transformation capacity

29.28 years

Remaining TSA tenure as on March 31, 2023

100%

Availability in FY 2022-23



POWERGRID Kala Amb Transmission Limited

- PROJECT MILESTONES**
- Incorporation date: July 29, 2013
 - TSA date: January 2, 2014
 - Transmission license date: September 4, 2014
 - Commercial operation date: July 12, 2017

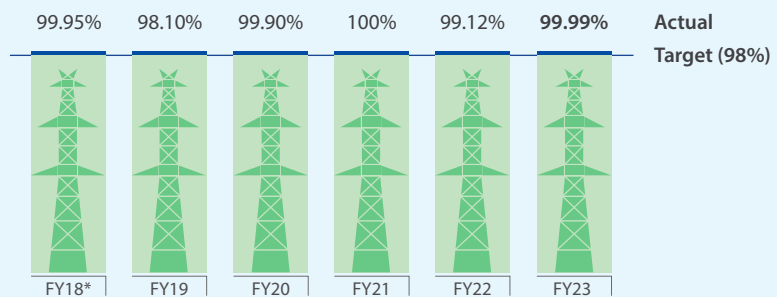
PROJECT DETAILS

Transmission system for Northern Region System Strengthening Scheme NRSS-XXXI (Part A). The asset includes:

- 2.47 ckm of transmission line comprising LILO of 400 kV D/C Karcham Wangtoo-Abdullapur transmission line at Kala Amb (Himachal Pradesh) substation (on M/C towers)
- 630 MVA 400/220 kV GIS substation at Kala Amb
- 40% series compensation on 400 kV D/C line from Karcham Wangtoo to Kala Amb

ASSET PERFORMANCE

Availability (%)



*July 2017-March 2018

OTHER DEVELOPMENTS

Implementation of one no. 125 MVAr, 420kV Bus Reactor at Kala Amb substation by PKATL is scheduled for completion in Fiscal 2023-24. The project is allotted by Ministry of Power, Gol under Regulated Tariff Mechanism and Hon'ble CERC has granted a separate transmission licence for same. Transmission License Date: March 22, 2022.



966.12 ckm

Length of transmission lines

3,000 MVA

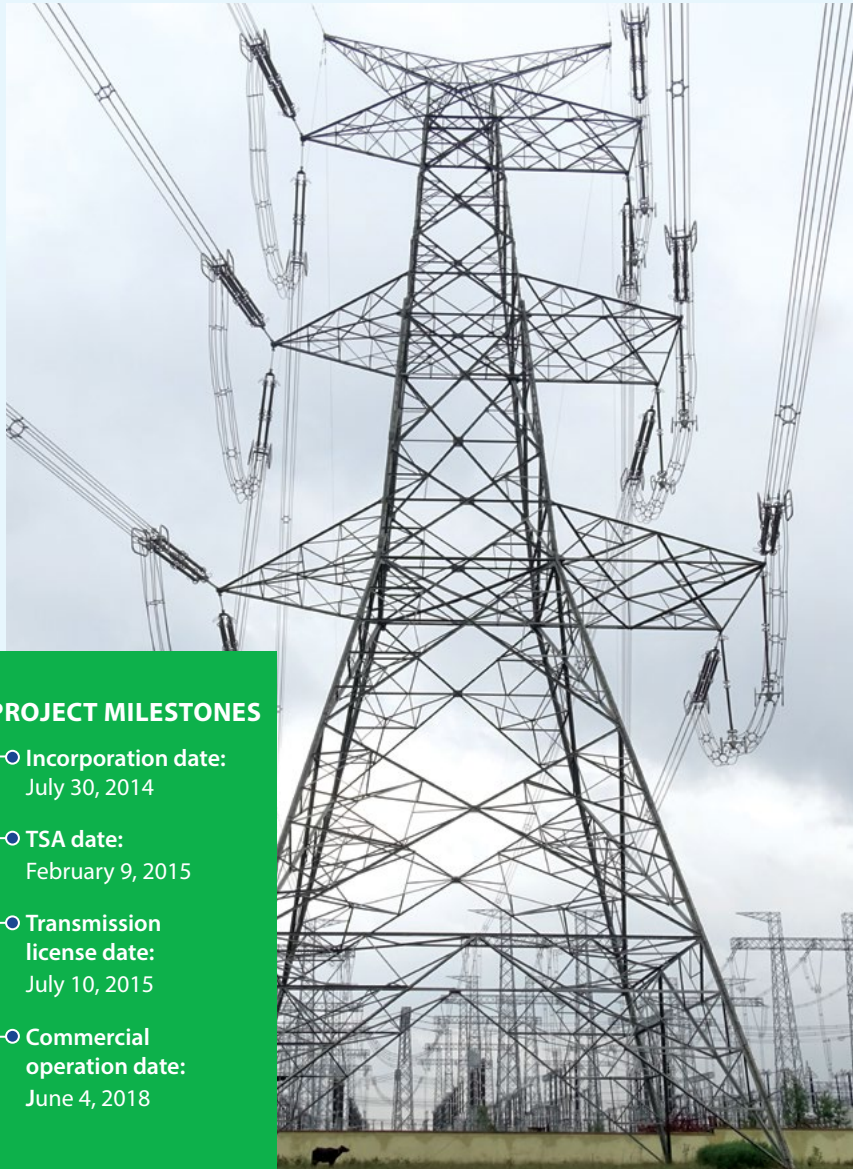
Transformation capacity

30.18 years

Remaining TSA tenure as on
March 31, 2023

99.83%

Availability in FY 2022-23



POWERGRID Parli Transmission Limited

PROJECT MILESTONES

- Incorporation date:
July 30, 2014
- TSA date:
February 9, 2015
- Transmission
license date:
July 10, 2015
- Commercial
operation date:
June 4, 2018

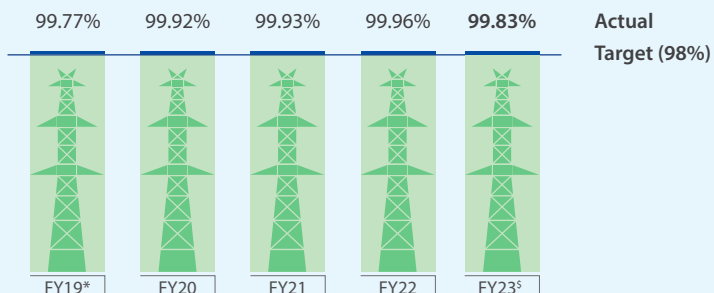
PROJECT DETAILS

Transmission system associated with Gadarwara STPS (2x800 MW) of NTPC (Part-B). The asset has 966.12 ckm length of transmission lines and 3,000 MVA 765/400 kV substation in Parli. The lines include:

- 765 kV D/C line of 693.70 ckm from Warora, Maharashtra to Parli, Maharashtra
- 765 kV D/C line of 235.92 ckm from Parli, Maharashtra to Solapur, Maharashtra
- 400 kV D/C line of 36.50 ckm from Parli (New), Maharashtra to Parli (PG), Maharashtra

ASSET PERFORMANCE

Availability (%)



*June 2018-March 2019

[§]Provisional, under approval by RPC

1,028.11 ckm

Length of transmission lines

3,000 MVA

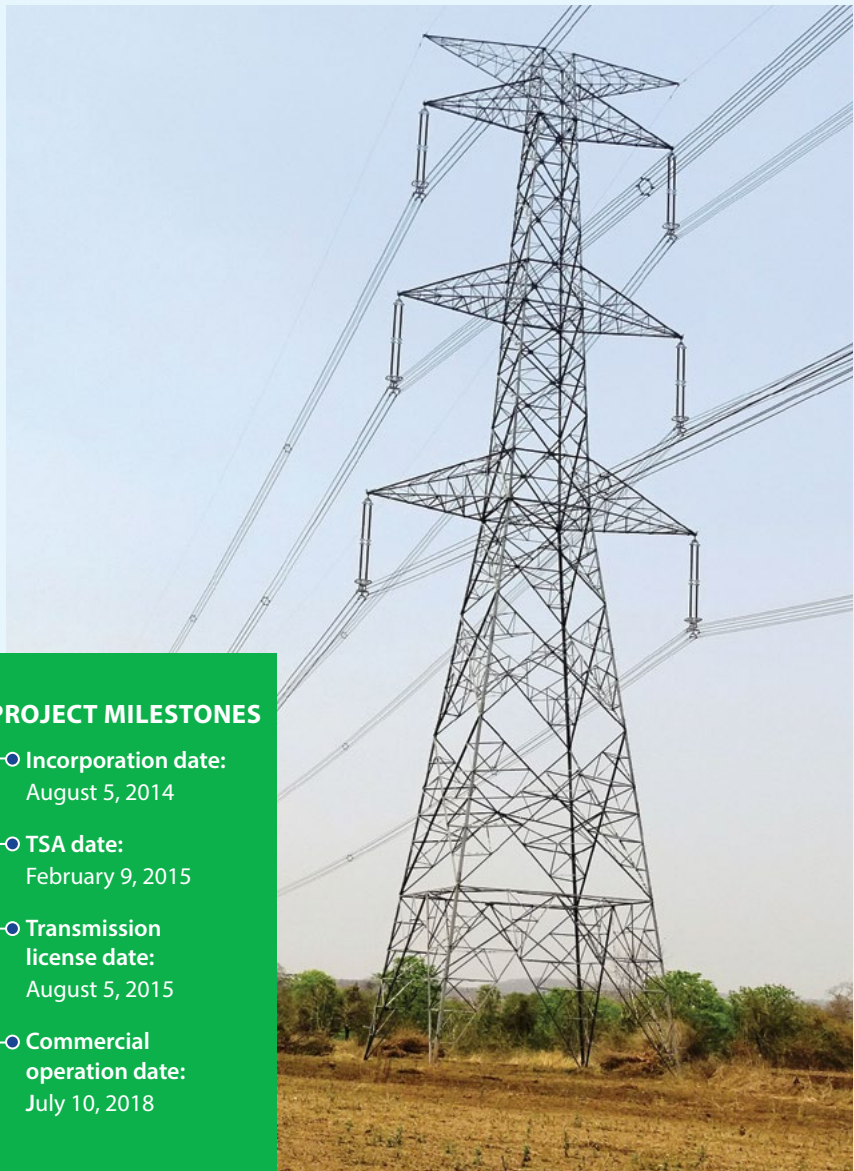
Transformation capacity

30.28 years

Remaining TSA tenure
as on March 31, 2023

99.86%

Availability in FY 2022-23



POWERGRID Warora Transmission Limited

PROJECT MILESTONES

- Incorporation date:
August 5, 2014
- TSA date:
February 9, 2015
- Transmission
license date:
August 5, 2015
- Commercial
operation date:
July 10, 2018

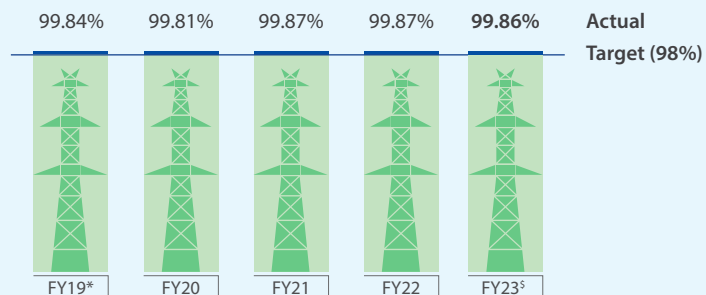
PROJECT DETAILS

Transmission system associated with Gadarwara STPS (2x800 MW) of NTPC (Part-A). The asset has 1,028.11 ckm of transmission lines and 765/400 kV substation with 3,000 MVA capacity in Warora, Maharashtra. The lines include:

- 765 kV D/C transmission line of 204.47 ckm from Gadarwara to Jabalpur in Madhya Pradesh (including interim arrangement)
- 765kV D/C transmission line of 627.35 ckm from Gadarwara, Madhya Pradesh to Warora, Maharashtra
- Two 400 kV D/C transmission lines comprising LILO of both circuits of 400 kV D/C Wardha-Parli (PG) line aggregating 196.29 ckm from LILO point of 400 kV D/C Wardha-Parli transmission line to Warora pooling station.

ASSET PERFORMANCE

Availability (%)



*July 2018-March 2019

[§]Provisional, under approval by RPC



745.05 ckm

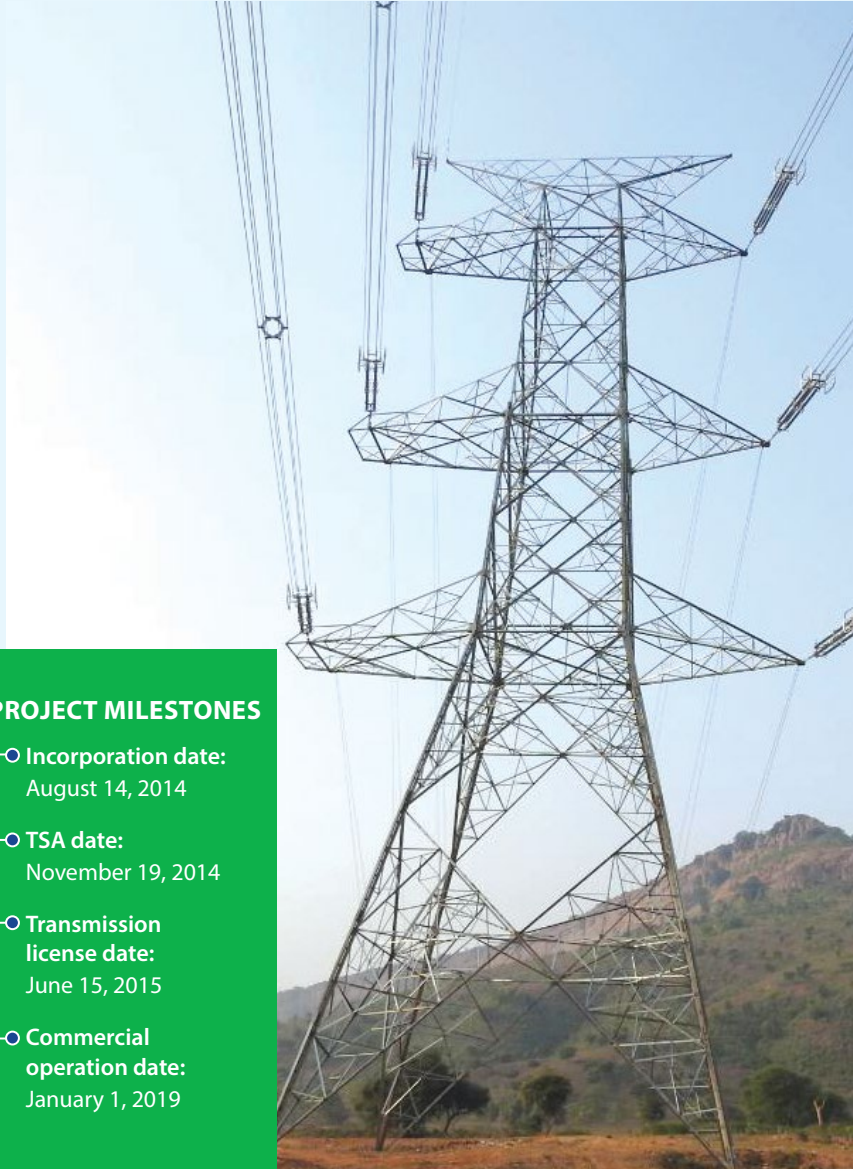
Length of transmission lines

30.75

Remaining TSA tenure
as on March 31, 2023

99.92%

Availability in FY 2022-23



Asset performance

POWERGRID
Jabalpur
Transmission
Limited

PROJECT MILESTONES

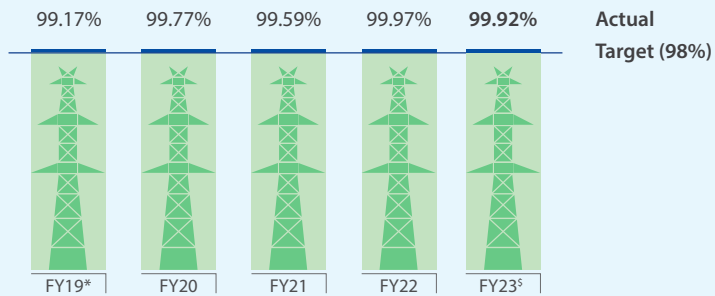
- Incorporation date:
August 14, 2014
- TSA date:
November 19, 2014
- Transmission
license date:
June 15, 2015
- Commercial
operation date:
January 1, 2019

PROJECT DETAILS

Transmission system strengthening associated with Vindhyachal-V. The asset has 765 kV D/C Transmission line of 745.05 ckm from Vindhyachal to Jabalpur in Madhya Pradesh.

ASSET PERFORMANCE

Availability (%)



*January 2019-March 2019

[§]Provisional, under approval by RPC



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Performance Overview: FY 2022-23

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CEO's Review

Dear Unitholders,

I am honoured and privileged to present before you the performance of PGIInvIT for the financial year 2022-23 as part of our second Annual Report.

In March this year, I took over from my highly experienced predecessor, Mr. Purshottam Agarwal, who as the first CEO steered PGIInvIT right from its conceptualisation. I am happy to share that he continues to guide us in his new role as a member on the Board of the Investment Manager.



I am happy to share that we have consistently been on track of superior operational and financial performance. It is heartening to see our unitholders being rewarded with a total return of over 40% on their investment, since our listing in May 2021.

We are deeply humbled by the faith and confidence shown in us by our unitholder community, that has now burgeoned to over 80,000 unitholders from about 15,000 at the time of initial public offer. I am also happy to share that PGIInvIT is now a constituent of India's first 'Nifty REIT/ InvIT Index', wherein it enjoys highest weightage among InvITs.

FY 2022-23 was the first full year of operations of PGIInvIT and continuing on our envisioned journey of providing consistent, stable and visible returns to our unitholders, we made an aggregate distribution of ₹ 12 per unit for the year, in line with our guidance.

PERFORMANCE HIGHLIGHTS FOR FY2022-23

On the operational front, the prowess of our Project Manager ensured efficient, safe and accident-free operation. Consequently, each of our five SPVs exceeded target availability of 98%, achieving an average availability above 99.75%, maximising incentives. Our world-class Project Manager continues to play a significant role in our performance.

On the financial front, we registered a consolidated Total Income of ₹ 13,152.91 million in FY 2022-23 and an EBITDA of ₹ 12,263.68 million. NDCFs upstreamed from the SPVs to the Trust and from the Trust to Unitholders, were in excess of minimum 90%, as stipulated in the InvIT Regulations and our Distribution Policy. Total cash distribution to unitholders for FY 2022-23 was ₹ 10,919.99 million, which corresponds to an aggregate distribution of ₹ 12 per unit, spread evenly over four quarters.

DEBT AND CREDIT RATING

Our consolidated external borrowings as on March 31, 2023 stood at ₹ 5,727.07 million, after principal repayment of ₹ 28.78 million

during the year. Given the steep rise in interest rates during the year, our average cost of funds for the year was 7.20%. The impact of rising rates was partly negated by successful negotiation with the lender in January 2023 which led to reduction in spread. Considering significantly low external borrowing, rising interest had minimal impact on PGIInvIT performance.

Our Net Debt/ AUM is placed at a comfortable 0.91%, providing considerable headroom to pursue a debt-funded growth strategy. Our strong balance sheet and fundamentals have contributed to the Trust in consistently the achieving highest credit rating of AAA, with a stable outlook from the rating agencies.

WAY FORWARD

Operational excellence and value-accretive acquisitions are key to achieving our objectives of providing stable and visible returns to unitholders. We believe that significant headroom for debt-funded acquisition and being a ready investment vehicle enjoying the confidence of a pool of diverse investors, gives PGIInvIT pronounced competitive advantages.

During FY 2023-24, we are envisaging conclusion of acquisition of balance 26% equity shareholding in four of our SPVs from the Sponsor. Along with evaluating opportunities arising from monetisation by our Sponsor or the States, if and when undertaken by them, we are also scouting for opportunities from other entities.

GRATITUDE

We are extremely grateful to our Unitholders for their faith and trust in PGIInvIT and are committed to long-term value creation. We also thank our Trustee for extending all support; and our Project Manager and the team at PGIInvIT and SPVs for their continued dedication and commitment. PGIInvIT is well-positioned for a value-accretive future and with your continued trust and support, we are confident of a fruitful journey.

Sanjay Sharma

Chief Executive Officer



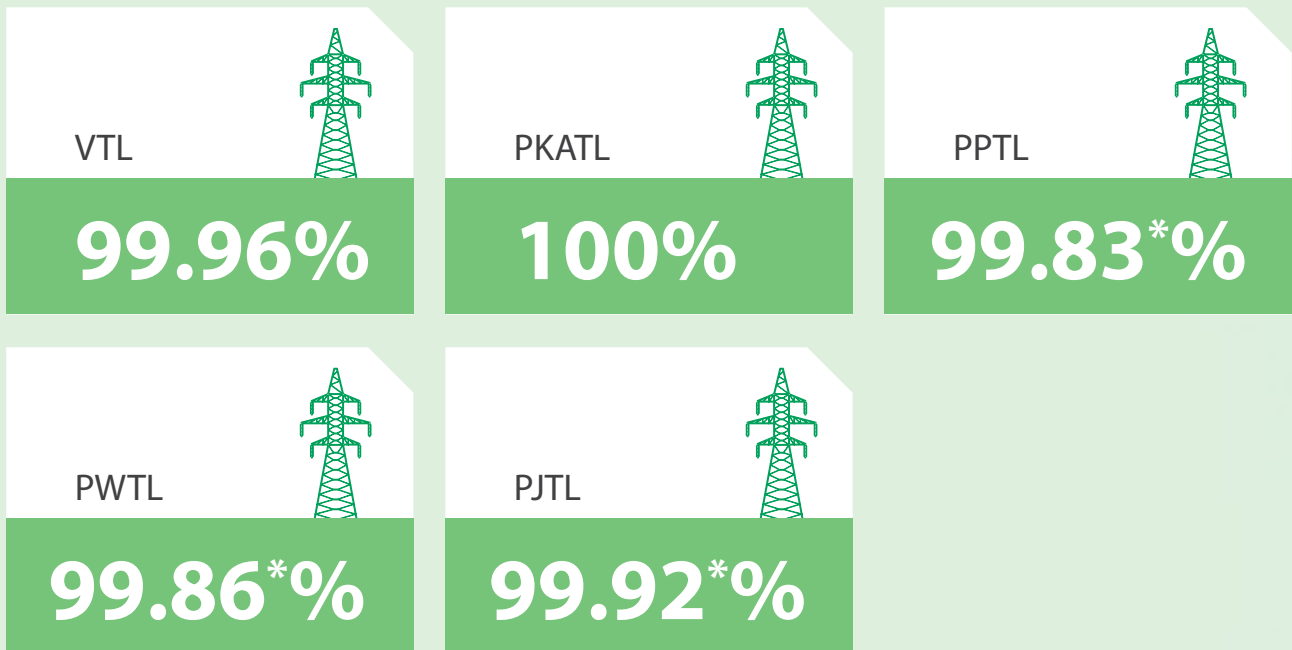
Operational performance

Enduring Excellence, Sustained Performance

Our Project Manager’s competencies in operations and maintenance, sustainability and safety standards and training programs enabled our assets to achieve healthy performance across operational parameters. All our SPVs achieved more than 99.75% average availability during the year, maximising incentives.

OUR OPERATIONAL PERFORMANCE DURING FY 2022-23

Higher than targeted asset availability



*Provisional, under approval by RPC for PPTL, PWTL and PJTL

6.76%

Operating expenses to total income

(6.28% in FY 2021-22)



ZERO Accident

Accident-free operations



ENSURING SAFE OPERATIONS

During FY 2022-23, all the SPVs reported 100% safe man-hours and accident-free operations.

Occupational Health and Safety is a priority for PGINVIT and our Project Manager. Activities like periodic fire and safety drills help us ensure accident-free operations. Trainings provided to the teams to hone their operational skills, ensure high standards of O&M. During the year, various functional training programs including ESG and cyber security kept the operational teams updated with latest developments.

ENSURING EFFICIENT OPERATIONS & MAINTENANCE USING NEW-AGE TECHNOLOGY

Our Project Manager has deployed many new-age technologies such as remote operation of substations, aerial patrolling using drones, app-based patrolling of transmission lines, use of artificial intelligence and machine learning tools, asset health indexing softwares etc. These technologies have helped in defect identification and ensured sustained safe and efficient operation and maintenance of our transmission assets, resulting in actual availability consistently surpassing target availability.





Financial performance

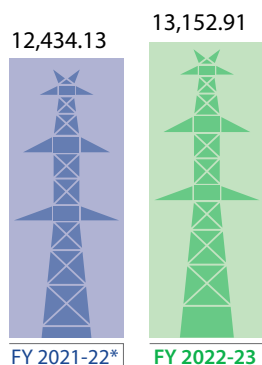
Steady and Resilient

At PGIInvIT, our strong asset management expertise is further strengthened by the financial expertise and prudent financial management of the Investment Manager to effectively ensure continued excellence and delivering on our commitment to Unitholders.

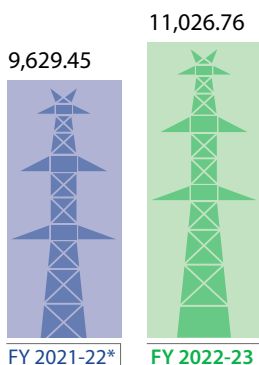
In FY 2022-23, we delivered strong financial performance and our strong balance sheet and fundamentals ensured continuance of our highest credit ratings.

FINANCIAL METRICS, FY 2022-23

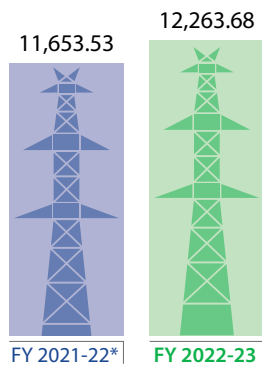
Total income
(₹ million)



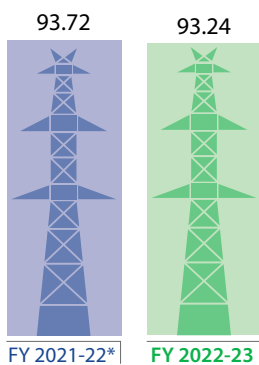
Net distributable cash flows
(₹ million)



EBITDA (₹ million)



EBITDA (%)



0.91%

Net debt/AUM

(0.50% in FY 2021-22)

7.20%

Average cost of debt[#]

(5.75% in FY 2021-22)

[#](spread on Bank Loan reduced by 34 bps)

₹ 5,727.07 million

Total debt

(₹ 5,755.85 million in FY 2021-22)

47 days

Receivable days

(43 days in FY 2021-22)

*May 13, 2021 to March 31, 2022



4

Strategic Overview

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Strategic
positioning



Opportunities Landscape

A Vibrant and Growing Power Sector

India's electricity demand including peak requirements is rapidly growing, driven by rising industrial activity, energy transition, and growing domestic consumption. As the nation propels towards driving a manufacturing-led and climate-resilient growth, energy security and emphasis on renewable energy will be key. This is set to attract substantial investments in the power sector including generation and transmission over the next decade, and open opportunities for PGIInvT in the medium to long term.

PROJECTED ELECTRICITY DEMAND AND POWER GENERATION CAPACITY

	Energy demand	Power generation capacity	Power transmission capacity additions (as per CTU by FY 2028)
FY 2026-27	1908 BU Total energy requirement (6.67% CAGR ¹) 277 GW Peak demand (6.42% CAGR ¹)	610 GW Installed capacity ³ (incl. 336 GW RE)	~42,000 ckm ISTS network 26,490 MW Inter-regional transmission capacity ¹
FY 2031-32	2474 BU Total energy requirement (5.33% CAGR ²) 366 GW Peak demand (5.74% CAGR ²)	900 GW Installed capacity ³ (incl. 596 GW RE)	10,195 MW Cross-border transmission capacity ~₹ 2,24,000 Cr. Investment

(Source: National Electricity Plan - Generation Vol. I of the CEA - May 2023, 20th Electric Power Survey of India, ISTS Rolling Plan (2027-28) of the CTUIL)

¹ FY 2021-22 to FY 2026-27; ² FY 2026-27 to FY 2031-32; ³ against 416 GW (incl. 172 GW RE) as on March 31, 2023

FACTORS DRIVING INDIA'S POWER TRANSMISSION SECTOR

Rising demand

- Rising manufacturing and industrialisation
- Rising electrification of energy
- Growing domestic consumption

Focus on non-fossil fuel energy

- Govt's thrust on climate resilient growth and its commitment to reducing emission intensity of GDP driving policy interventions
- Higher and predictable bidding and award trajectory of RE projects by the MNRE
- Implementation of Pumped Storage Plants, Undertaking Off-shore wind energy projects and new nuclear reactors

Cross-border linkages

- India's emergence as a reliable partner to the neighbouring countries
- Focus on enhancing cross-border transmission capacity from 4 GW to 14 GW by FY 2027-28

India's peak demand has been making new historic highs and touched 223 GW in early June 2023

New Investments in transmission coming up in:

- ISTS - New projects under TBCB being regularly allotted to BPCs for implementation
- InSTS - Rising power demand in States and improvements in Financial Health of State Utilities facilitating new builds including through TBCB
- Cross-border interconnections



Strategy

Strategies for a Sustainable Future

With a strategic approach involving optimising our assets, excelling in operations and seizing new value-accretive acquisition opportunities in India’s power transmission segment, we aim to meet our commitment of delivering consistent, stable and visible returns to our Unitholders. Adherence and Compliance to InvIT regulations and upholding high standards of environment, social and governance (ESG) practices, would be the guiding principles while implementing our strategic priorities.

OUR STRATEGY FOR SUSTAINABLE GROWTH

Strategic objective

Deliver consistent, stable and visible returns to the Unitholders



Strategic Priority 1

Focussed business model with productive and operational efficiency

- Leverage Sponsor’s and Investment Manager’s expertise to own, operate and maintain power transmission assets efficiently
- Implement best practices in asset O&M (routine and breakdown maintenance, use of latest techniques and technologies and implementation of Emergency Restoration System), corporate governance and environment, health and safety (EHS)
- Provide functional and behavioural training to manpower engaged in operations of the Trust and the SPVs

Areas of impact:

- Operating efficiency
- Asset and business performance
- Revenues and incentives
- Life of assets
- Operating costs and capital expenditure



Strategic Priority 2

Value accretive growth mainly through acquisitions

- Capitalise on the strengths of our balance sheet and Project Manager’s expertise to reinforce our position as a preferred route for monetisation
- Explore acquisition opportunities emerging out of monetisation - by our Sponsor under the National Monetisation Pipeline; the private transmission licensees; and the States
- Explore additional revenue from transmission assets, such as leasing out optical ground wire and transmission towers, in accordance with applicable regulations

Areas of impact:

- Long-term, regular and predictable cash flows
- Unitholder returns



Strategic Priority 3

Optimisation of transmission assets through an efficient capital structure

- Maintain an optimal and varied portfolio of transmission assets
- Employ appropriate financing policies and diversify financing sources to strengthen capital structure efficiency and minimise cost of capital
- Identify both private and public markets to raise funds at attractive rates

Areas of impact:

- Cost of capital
- Balance Sheet Strength



Strategic positioning

Uniquely placed to capitalise on emerging opportunities

Our operating sector, power transmission, is on a sustained decadal growth journey and is set to witness significant asset additions by 2027-28, which we envisage will provide new opportunities for PGIInvIT. Govt is actively promoting transmission asset monetisation, with targets assigned to our Sponsor and advice to state governments for exploring monetisation for raising funds for future investments.

The policy initiative taken by Govt during the previous year modifying equity lock-in conditions for TBCB projects will assist faster asset recycling of power transmission assets.

PGIInvIT, formed to support the government’s vision of asset monetization and investment-driven growth, is in a sweet spot.

Our low-debt position and status of attractive investment vehicle, set up by Govt. of India with India’s largest power transmission company as Sponsor and Project Manager, gives us an inherent competitive advantage to own, operate and maintain transmission assets going forward.

WELL POSITIONED TO SEIZE MONETIZATION OPPORTUNITIES



Ready investment vehicle

We can enable seamless and faster asset monetisation for transmission developers and states with our advantage of short turnaround time, existing pool of investors and efficient financial structure.



Low-leverage advantage

We are a AAA-rated trust with low leverage and visible cash flows. As of March 31, 2023, the aggregate consolidated borrowings and deferred payments, net of cash and cash equivalent of the Trust and SPVs stood at ₹ 725.91 million, significantly lower than InvIT Regulations’ threshold of 49% (and 70% subject to conditions). Our Net debt / AUM was 0.91%. These give us significant adequate headroom for debt-funded acquisitions at low cost.



Confidence of the investors

PGIInvIT is trusted by and has the confidence of a large pool of investors. Since the IPO, reputed institutional investors including global pension funds, foreign long-only investors, domestic pension funds and insurance companies, employee provident funds of reputed corporates have generally maintained their holdings in PGIInvIT, while individuals have more than doubled their holding.



OUTLOOK

Acquisition of residual shareholding in four SPVs

PKATL completed its 5-year lock-in period in July 2022, while the lock-in for remaining three assets namely, PPTL, PWTL and PJTL is set to expire during FY 2023-24 and we would be initiating the process to acquire balance 26% shareholding in these assets. The process would be a consultative one with the Sponsor and we envisage concluding the acquisitions during FY 2023-24.

Capitalise on Govt. of India's Monetisation Targets Assigned to our Sponsor

Our Sponsor, having a strong pipeline of operational and under construction TBCB SPVs, has been assigned annual monetisation targets during FY 2022-25 under the National Monetisation Pipeline. While the Sponsor during FY 2022-23 adopted modes other than InvIT for raising funds, we believe that our unique competitive strengths would be beneficial for us, if and when the Sponsor undertakes monetisation through InvIT.

Explore Non-Sponsor Acquisition Opportunities

We remain focussed on exploring viable acquisition opportunities for operational power transmission assets besides that from our Sponsor. However, opportunities emerging from other developers' operational assets are currently limited. We feel that adoption of GoI's recommendations for monetisation by States will be a time taking process, especially due to the novelty and steps involved in the suggested mechanism.



All assets proposed for acquisition will be evaluated for their suitability to PGIInvIT on the basis of the operational history in accordance with InvIT Regulations, compliances with InvIT Regulations and statutory requirements, PGIInvIT's governance framework and keeping in mind the overall interest of unitholders.

5

ESG Overview

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Governance

Our Sponsor and Project Manager, POWERGRID, has been a pioneer in adopting sustainable practices in the transmission operations and has embedded them into their business strategy. Pursuant to the O&M agreements, POWERGRID is responsible for matters relating to compliance with environmental regulations and standards applicable to SPV operations.

Bringing in its experience and best practices, it is instrumental in enabling the Trust to operate responsibly in the best interests of stakeholders.

PGInvIT's strong corporate governance framework assisted by the Project Manager's expertise in sustainable operations, helps us in operating our assets in a efficient and safe manner, driving the welfare of our people and communities and delivering value to our stakeholders.



Environment

Power transmission operations do not involve chemical processes and do not generate any air pollutants, except the diesel generators in substations, which too are installed for reliability and are operated occasionally and for very short durations. Despite this, in cognisance of the challenges posed by climate change, we have committed to operate responsibly. With the expertise and experience of our Project Manager, we are proactively undertaking various initiatives for making a positive contribution to the environment around us.



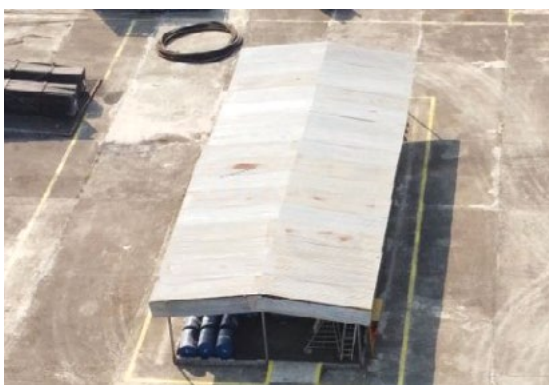
EFFICIENT POWER TRANSMISSION INFRASTRUCTURE

Our assets portfolio includes extra-high voltage transmission lines that ensure lower transmission losses and allow for higher transmission per unit of Right-of-Way. We further use multi-circuit towers to optimise Right-of-Way and have implemented GIS technology which has reduced the requirement of substation land.



CREATING AND PROTECTING BIODIVERSITY

As our statutory responsibility, we have contributed towards increasing the green cover in the country, which acts as a carbon sink. Further, we conduct plantation drives on a regular basis to enhance green cover in our surroundings.



STRIVING FOR WATER POSITIVE OPERATIONS

Our water consumption is primarily limited to domestic and office use, horticulture, auxiliary system and landscaping. To minimise fresh water consumption for these purposes, we have invested in Rain Water Harvesting systems and have also interlinked open wells to create a water grid management system. These initiatives have further helped in enhancing the groundwater level, and taking steps towards water positive operations.

EFFICIENTLY MANAGING WASTE

Our operations involve wastes like used batteries, transformer oil, metal scrap and e-waste. We ensure effective disposal of such wastes in compliance to the regulatory requirement. Following the philosophy of Reduce, Reuse & Recycle, the scrap material available in our premises was effectively utilised for setting up semi-closed sheds for storing oil drums and for beautification of the substation premises.



Social

The assets we own are a vital part of power sector value chain which plays a big role in the progress of the country and has national significance, as it contributes to improving the lives of citizens and supports economic activities. We recognise our responsibility of ensuring continuous availability of our assets for sustained electricity transmission. We also positively touch people and the communities around our operations with continued efforts for their safety, welfare and development. Our Project Manager, who regularly features amongst the best workplaces, is also a leader in corporate social responsibility and has earned global accolades for the same, is the force behind performance on various social parameters.

PRIORITISING PEOPLE HEALTH AND SAFETY

Best practices in safety have been implemented at sites to ensure safe operations. Safety pep-talks and mock drills including fire and snake bite are periodically conducted. Further, the sites are equipped with basic health amenities which help meeting the first-aid requirements for the team including contract labour.

PROMOTING AN ENGAGING AND INCLUSIVE WORKPLACE

Various ongoing engagement activities are undertaken to keep our people motivated. In FY 2022-23, activities like yoga sessions, health and motivational talks by eminent speakers for well-being of the employees were conducted. The employees are also supported with flexible working hours helping them to achieve work-life balance. Further, we conducted get-togethers, event celebrations, walkathons and competitions, fostering stronger engagement and bonding. We are also inspired to promote women participation, supported by inclusive policies. In celebration of Women's Day, this year, lectures, seminars, events, outdoor activities and games were organised.

ENCOURAGING LEARNING AND DEVELOPMENT

We ensure superior performance of the SPVs and the Trust through highly skilled and empowered workforce and strive to enhance their competencies by providing various functional, behavioural and skill enhancement training on continual basis. Specific trainings on ESG, cybersecurity, financial tools and methods like Valuation and Corporate Governance etc. were held for the teams handling various functions of Project Manager and Investment Manager.

EMPOWERING COMMUNITIES

Our SPVs are committed to conduct operations responsibly and engage in community activities of national importance. As part of our CSR obligations, in FY 2022-23, our five SPVs contributed a total of ₹ 114.99 million to the PM CARES Fund towards strengthening the healthcare infrastructure of the country





Governance

Our operations are underpinned by the strong corporate governance, supported by best practices brought in by our Investment Manager. Our governance framework is supported by regulatory safeguards and includes governance requirements beyond those prescribed under the InvIT Regulations.

UPHOLDING GOVERNANCE AND ETHICAL PRACTICES

At PGIInvIT, we ensure stringent compliance to the InvIT Regulations and other applicable laws. We have a diversified Board with two of the four members being independent. We are guided by our robust corporate governance framework, which comprises Code of Conduct and various policies. With effect from April 1, 2023, our existing corporate governance framework and policies have been updated and new policies adopted, in compliance with amendment to InvIT Regulations issued in February 2023.

We have policy and system in place for prevention of insider trading as required under applicable law.

ENGAGING EFFECTIVELY WITH UNITHOLDERS

Our unitholders comprise institutional and individual investors both within and outside the country. We ensure maintaining effective engagements and providing them necessary information on a timely basis, helping us to strengthen relationships and identify innovative means to unlock opportunities.

UNITHOLDER ENGAGEMENT IN FY 2022-23

Key expectations	<ul style="list-style-type: none"> • Consistent, stable and visible returns • Wealth creation • Long-term sustainable growth through value-accretive acquisitions • Timely disclosures • Regulatory compliance, ethical practices and transparency
Method of engagement	<ul style="list-style-type: none"> • Corporate announcements and media updates • Investor presentations • Post result earning calls • Half yearly report and annual report • Annual unitholders' meeting • Website and e-mail • Grievance redressal
Focus area	<ul style="list-style-type: none"> • Financial and asset performance • Risk management • Environment, Social and Governance practices
Other initiatives	<ul style="list-style-type: none"> • Regular messages sent to update e-mail address and bank details • Enabling online facility for downloading various certificates and statements • Taxation related FAQs uploaded on website • Communications for claiming unpaid distributions



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Management Discussion & Analysis

INDIAN ECONOMY OVERVIEW

India is the fastest growing major economy in the world with its real GDP growth estimated at 7.2% in FY 2022-23. The Indian economy continues to show resilience to exogenous shocks caused by the prolonged war between Russia and Ukraine, higher inflation, tighter monetary conditions and supply chain challenges, among others. Domestic economic growth has gained strength and further traction in 2023. According to The World Bank, India will remain the fastest-growing economy in terms of both aggregate and per capita GDP of the largest emerging market and developing economies. The global financial institution has forecasted India's GDP growth at 6.3% for FY 2023-24 and projects pick up slightly through FY 2025-26 with estimates of India's GDP growth at 6.4% in FY 2024-25 and 6.5% in FY 2025-26.

The International Monetary Fund expects India to become US\$ 5 trillion economy by FY 2025-26, while the Government, with the help of lower global uncertainties, is taking steps to achieve the milestone earlier. Various measures taken by the Government to boost economic growth such as creation of National Infrastructure Pipeline of projects, higher budgeted capital expenditure of ₹ 10 lakh crore in Fiscal 2024 for infrastructure development, thrust on domestic manufacturing, formulation of the National Monetisation Pipeline and the National Logistics Policy, and commitment to energy transition are major steps in the country's journey to becoming a US\$ 5 trillion economy. This is expected to fuel strong domestic consumption, technology-enabled development and revival in credit growth among others. In addition, growth-enhancing policies such as the production-linked incentives (PLI) scheme, Atmanirbhar Bharat and PM Gati Shakti are envisaged to have a multiplier effect on economic growth.

Power Sector in India

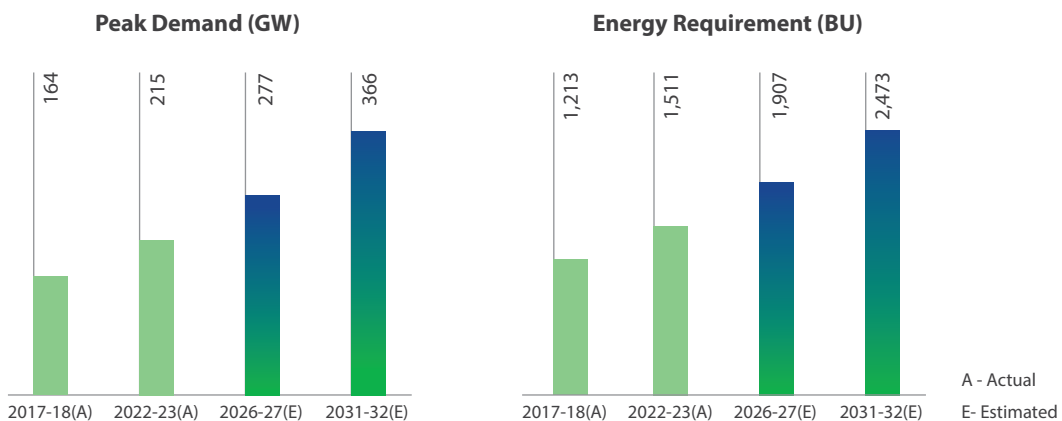
United Nations Sustainable Development Goal 7 (UN SDG-7) is about ensuring access to clean and affordable energy. Access to electricity and increasing share of renewables are among the key

factors in achieving UN SDG-7. India's National Electricity Policy recognises Electricity as an essential requirement for all facets of our life and a basic human need and considers it a critical infrastructure for socio-economic development of the country. Power sector, being a critical element of a country's economic development, is set to play an important role in India's journey towards a US\$ 5 trillion economy. The Indian Power sector has been guided by the principles of universal access to affordable power sustainably, and is envisaged to be a key player in addressing the climate change related challenges and meeting India's global commitments with regard to energy transition primarily, by shifting to cleaner and renewable energy sources.

With a total installed power capacity at 416 GW as on March 31, 2023, while India is the third-largest producer of electricity worldwide, its per capita electricity consumption at 1,255 units in FY 2022-23, continues to be significantly lower than the global average. However, with increasing economic activity, the demand for electricity is also increasing. During the last decade, demand for electricity has grown at CAGRs of around 4.1% respectively and the National Electricity Plan, released in May this year, has projected demand growth at 6.42% CAGR between 2021-22 to 2026-27 and 5.47% CAGR over the subsequent five-year period.

Recently, on June 9, 2023, Peak Demand touched an all-time high of 223GW

To meet the rising power demand, the Government is pushing renewable energy to the forefront and undertaking various measures such as policy on PLI for PV manufacturing, policy for Green Hydrogen, ISTS waiver, RPO trajectory till 2029-30, Green Open Access Rules, Infrastructure status to Energy Storage Systems etc. to increase RE capacity and fulfil global commitments with regard to energy transition. The National Electricity Plan, 2023 estimates that the share of non-fossil fuel energy generation would increase to 57.4% by FY 2026-27 and further to 68.4% by the end of FY 2031-32.





In addition, the Government has also been taking various initiatives for improving the financial health and viability of the distribution sector which is vital for meeting the UN SDGs and fulfil the aspirations of the citizens of the country.

Transmission Sector in India

The transmission sector plays a crucial role in the power system value chain in India linking the generating stations and the demand centres. The transmission system in India is a two-tier structure comprising intra-state transmission systems and inter-state transmission systems. The sector, especially inter-State transmission, has grown significantly in the last decade leading to accomplishment of One- Nation-One Grid which has played a vital role in creation of a vibrant electricity market.

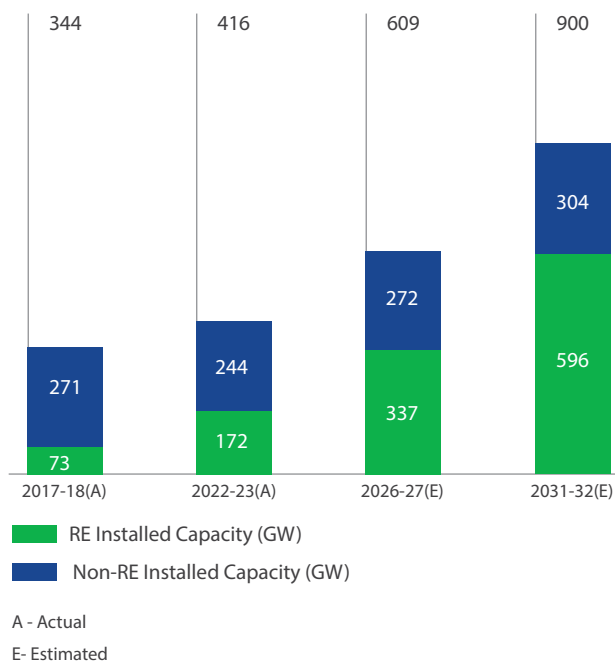
As per the Central Transmission Utility of India, the need to transfer large quantum of renewable power across the country necessitates continuous development of a robust National Grid comprising of high-capacity AC and HVDC systems along with state-of-the-art devices for controlling power system parameters. In order to address the intermittency and variability of RE generation, and for increasing utilisation of transmission system associated with RE projects, Government has been laying emphasis on development and integration of Energy Storage devices in form of batteries, pumped hydro etc.

Recognising the need for advance and adequate planning of power transmission, considering low gestation period for renewable projects, the Government has inter alia promulgated new rules, the General Network Access, and also brought visibility to the sector with regard to upcoming transmission projects upto 2030 through its report on 'Transmission System for Integration of over 500GW RE capacity by 2030'. Further CTUIL's rolling plans are also providing continuous updates on the transmission planning and implementation.

Based on the projections of the said reports, the transmission sector is poised for sustained growth in future. The latest CTUIL rolling plan March 2023 estimates that cumulatively by 2027-28, transmission schemes comprising of 42,215 ckm of transmission lines and transformation capacity of 3,89,925 MVA at estimated cost of ₹ 2,24,237 crore are expected to be added in the grid. The inter-regional transmission capacity is envisaged to grow from current 1,12,250 MW to about 1,38,740 MW during the period.

Transmission projects under ISTS are generally taken up through competitive bidding mechanism, while few projects allocated by the Government are allocated on regulated tariff mechanism. As per the latest industry estimates, more than ₹ 50,000 crore of projects are under various stages of bidding/ have been identified to be taken up for bidding, wherein POWERGRID and private sector entities generally participate. Some developers may, at a later date, monetise their projects by selling out to other entities including financial investors or investment vehicles such as infrastructure investment trusts.

Installed Capacity (GW)



National Monetisation Pipeline (NMP)

The National Monetisation Pipeline (NMP) developed by NITI Aayog, in consultation with infrastructure line ministries, and based on the mandate for 'Asset Monetisation' under Union Budget 2021-22, estimates aggregate monetisation potential of ₹ 6.0 lakh crore through core assets of the Central Government, over a four-year period, from FY 2021-22 to FY 2024-25.

The unique initiative is envisaged at monetisation of revenue generating brownfield projects to stimulate the investment cycle, which is crucial for funding infrastructure projects. The framework for core asset monetisation is built around monetization of 'rights' not 'ownership', where brownfield assets with stable revenue streams will be monetised through structured partnerships under defined contractual frameworks and handed back to the government at the end of transaction life.

Total monetisation targeted from power sector is about ₹ 852 billion which includes about ₹ 452 billion through monetisation of power transmission assets progressively upto FY 2024-25, by POWERGRID.

The NMP lays emphasis on infrastructure investment trusts as one of the modes for monetisation of power transmission assets; and the Government too has introduced several favourable regulatory and taxation norms aimed at making InvITs an attractive investment vehicle in India for global investors. Further, Ministry of Power has in October, 2023 requested states to consider undertaking monetisation of their power transmission assets for new investments and have issued guidelines which can be adopted by the States.



Business Overview

POWERGRID Infrastructure Investment Trust is set up by POWERGRID, a Maharatna CPSE and India's largest transmission player, to own, construct, operate, maintain, and invest, as an infrastructure investment trust, in power and power transmission assets in India. It is the first InvIT sponsored by any Government entity in our country.

PGInVT was settled as a Trust under the Indian Trusts Act, 1882 in September 2020 and was registered as an infrastructure investment trust with the Securities and Exchange Board of India in January 2021 under the InvIT Regulations. The Trust has one of India's most experienced and reputed Sponsor and Project Manager POWERGRID, an experienced Investment Manager POWERGRID Unchahar Transmission Limited, and Trustee IDBI Trusteeship Services Limited (ITSL). The Trust intends to leverage the expertise and the experience of its Sponsor and Project Manager, POWERGRID and the Investment Manager to deliver value to its Unitholders.

Initial Portfolio Assets

PGInVT's initial portfolio comprises five operational and revenue-generating Special Purpose Vehicles (SPVs), each of which holds a transmission license, granted by the regulator, Central Electricity Regulatory Commission under Electricity Act, 2003. The projects, which have been implemented under tariff based competitive bidding mechanism, have a sound operational track record with high availability and are entitled to assured transmission charges and incentives, subject to maintaining operational parameters, for a period of 35 years from the date of respective commercial operation. PGInVT focuses on maintaining and optimising the performance of these assets through its Project Manager, POWERGRID.

PGInVT assets comprise 11 transmission lines, including six 765 kV transmission lines and five 400 kV transmission lines, with a total length of 3,699 ckm, and 3 substations with an aggregate transformation capacity of 6,630 MVA and 1,955.66 km of optical ground wire. The assets, spread across five states in India, can be categorised into grid strengthening links, generation-linked and linked with inter-regional power flow. The residual life of the SPVs as per the respective Transmission Service Agreements is more than 29 years.

Refer Page 20 of this Report for further details.

Operational Highlights

Efficient operation and maintenance are imperative in the transmission sector for delivering value to various key stakeholders by maximising availability of transmission assets. As the Project Manager, POWERGRID carries out the operation and maintenance (O&M) of the IPAs and undertakes routine O&M and preventive and breakdown maintenance. Its various new technologies like aerial patrolling, app-based patrolling, AI based softwares for defect identification etc. help in minimising

shutdown time for periodic maintenance checks and breakdown maintenance for better availability of transmission systems. Since the inception of PGInVT, the initial portfolio assets have maintained an average availability above normative availability (i.e. 98%), which ensures recovery of full transmission charges along with incentives. The Project Manager is also responsible for undertaking implementation of new projects undertaken by an SPV.

Through POWERGRID, the IPAs ensure compliance with applicable laws and regulations and in providing a safe, healthy and learning environment to the workforce involved in operations, maintenance and other activities.

During FY 2022-23, all the SPVs reported 100% safe man-hours and accident-free operations.

Average Availability of SPVs during FY 2022-23



Availability for January to March 2023 for PPTL, PWTL and PJTL are provisional. Certificates yet to be received from RPCs.

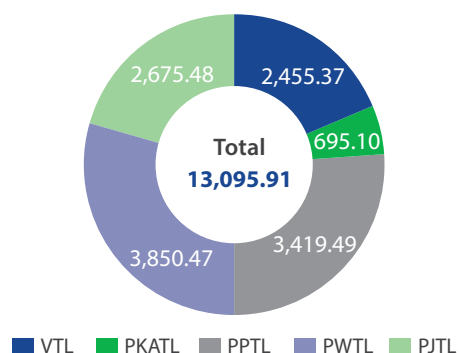
Accident-free Operations

- Well-established and routinely reviewed Health and Safety Policy
- Routine O&M
- Preventive maintenance
- Safety drills
- Training for O&M teams

Our Project Manager, POWERGRID owns Emergency Restoration Systems (ERS), which are placed strategically at various locations across the country. For quick restoration of transmission services and uninterrupted operations, in case of exigencies, and subject to availability, these systems together with its skilled teams, can be deployed for PGInVT assets.



Details of revenue (project-wise) during FY 2022-23 (in ₹ million)



During FY 2022-23, the Net Distributable Cash Flow (NDCF) was ₹ 11,026.76 million. The Trust made an aggregate DPU of ₹ 12 per unit for FY 2022-23. DPU is the cash flow distributed on a “per unit” basis to the Unitholders. Total cash distribution to unitholders for FY 2022-23 was ₹ 10,919.99 million.

Assets Under Management

The registered valuer, M/s INMACS Valuers Private Limited, carried out the valuation as an independent valuer and valued assets of PGINVT at ₹ 85,457.92 million as on March 31, 2023.

Assets	AUM (₹ in million)
VTL	18,695.45
PKATL	3,798.98
PPTL	21,745.77
PWTL	23,913.93
PJTL	17,303.79
Total	85,457.92

FINANCIAL REVIEW

Revenue and EBITDA

The SPVs of PGINVT are in the business of power transmission and they earn revenues, i.e., availability based transmission charges, pursuant to the TSAs, from the DICs irrespective of the quantum of power transmitted through the transmission line. Additionally, maintaining availability of the assets in excess of 98% gives them the right to claim incentives under the TSAs. The transmission charges are contracted for the period of the relevant TSAs, which is 35 years from the COD of the relevant power transmission project and are subject to renewal in accordance with the relevant TSA and the CERC regulations.

Particulars	(₹ in million)
	FY 2022-23 Consolidated
Total Revenue	13,152.91
Operating Expenses	889.23
EBITDA	12,263.68
EBITDA Margin (%)	93.24%
Net Distributable Cash Flows (NDCF)	11,026.76
Distribution per unit (₹) for FY 2022-23	12.00
Market Capitalisation*	111,493.10

*As per the closing price on NSE on March 31, 2023

Net Distributable Cash Flow (NDCF) and Distribution Per Unit (DPU)

Net Distributable Cash Flows is the free cash flow generated from underlying operations. Cash flows received by PGINVT can be typically in the form of interest income, dividend income and principal repayment. According to the InvIT Regulations and Distribution Policy of PGINVT, it is required to distribute at least 90% of the Distributable Income to its Unitholders.

Borrowings

The consolidated borrowings as on March 31, 2023 stood at ₹ 5,727.07 million. During FY 2022-23, no additional borrowing has been taken by PGINVT and Loan repayment of ₹ 28.78 million has been made in line with Facility Agreement entered between PGINVT and HDFC Bank Limited. In January 2023, the spread on the bank loan was successfully negotiated with the lender and was reduced by 34 bps.

Credit Rating

PGINVT is rated as “CRISIL AAA/Stable” by CRISIL, “[ICRA] AAA (Stable)” by ICRA and “CARE AAA; Stable” by CARE.

The Long-Term Bank facility from HDFC Bank Limited is rated “CARE AAA; Stable” (Triple A; Outlook: Stable) by CARE.

Strategies and Outlook

The business strategies of PGINVT are structured around a focused business model with operational efficiencies to increase Profitability, capitalising on value-accretive growth through acquisitions and maintaining an efficient capital structure while managing risks. PGINVT remains committed to providing consistent, stable and visible returns to the unitholders. Power transmission is a relatively low-risk segment owing to a low level of operating risks, a well-established regulatory regime and minimal counterparty risk, which ensure long-term visibility on returns and a steady stream of cash flows.

Leveraging its unique advantages, PGINVT aims to capitalise on strategic acquisitions aligned with its long term objectives. Sustained investments in the transmission sector will facilitate the creation of a pipeline of transmission assets in the country, creating growth opportunities for PGINVT.



Further, additional opportunities will be created, as and when our Sponsor, who has been assigned yearly monetisation targets by the Government, undertakes such monetisation through InvITs.

Moreover, the Government's recommendations to States for monetisation of their power transmission assets to raise funds will also create opportunities for PGIInvIT. In this regard, the "Guiding Principles for Monetisation of Transmission Assets in the Public Sector" issued by the Ministry of Power in October 2022 emphasises the use of innovative structures like InvITs for taking up monetisation.

In addition, during FY 2023-24, PGIInvIT would be initiating the acquisition of balance 26% equity shareholding in four of its SPVs, which shall be in accordance with InvIT regulations and PGIInvIT's governance framework and applicable policies. The acquisitions are envisaged to conclude towards the latter half of Fiscal 2024.

PGIInvIT with its robust foundation and core strengths is well-positioned to acquire new assets without substantially diluting the unitholders' interest for their benefit. All assets proposed for acquisition will be evaluated for their suitability to PGIInvIT on the basis of the operational history in accordance with InvIT Regulations, compliances with InvIT Regulations and statutory requirements, PGIInvIT's governance framework and keeping in mind the overall interest of unitholders.

Cautionary Statement

The Management Discussion and Analysis may contain statements describing the Trust's objectives, projections, estimates and expectations and may constitute "forward-looking statements" within the meaning of applicable laws and regulations. Additionally, words like 'may', 'will', 'should', 'expects', 'plans', 'intends', 'anticipates', 'believes', 'estimates', 'predicts', 'potential' or 'continue' and similar expressions have been used to identify forward-looking statements. Actual events and performance or projections or prospects of the Trust may differ materially from those reflected or considered in such forward-looking statements as they involve known and unknown risks, uncertainties and changes beyond our control. The Trust has undertaken various assessments and analysis to make assumptions on future expectations on business development. However, various risks and uncertainties could cause differences in the actual results from those either expressed or implied in the Statement. Important factors that could make a difference to the Trust's operations include macro-economic developments in the country and improvement in the state of capital markets, changes in the governmental policies, regulations, taxes, laws, and other statutes, and other incidental factors. The Trust undertakes no obligation to publicly revise any forward-looking statements to reflect future/likely events or circumstances.

Mandatory Disclosures

- Details of revenue during the year, project-wise from the underlying projects

(₹ in million)

Particulars	April 1, 2022 to March 31, 2023	April 1, 2021 to March 31, 2022
VTL	2,455.37	2,942.98
PKATL	695.10	707.34
PPTL	3,419.49	3,361.69
PWTL	3,850.47	3,756.47
PJTL	2,675.48	2,937.60
Total	13,095.91	13,706.08

- Brief summary of the valuation as per full valuation report as at the end of the year

In line with the InvIT Regulations, PGINVIT got the valuation done for its assets through an independent valuer, M/s INMACS Valuers Private Limited ('Valuer'). The Valuer carried out the Enterprise and Equity Valuation of the

five SPVs of PGINVIT, namely, VTL, PKATL, PPTL, PWTL and PJTL as of March 31, 2023, considering *inter-alia* historical performance of the SPVs, Business Plan/ Projected financial statements of the SPVs, industry analysis and other relevant factors.

For valuation purposes, the Valuer adopted the Discounted Cash Flow ('DCF') Method under the Income Approach.

The Enterprise Value was computed by discounting the free cash flows over the forecast period until the end of the life of project and the terminal value at the end of the forecast period using Weighted Average Cost of Capital ('WACC').

Valuation Report of PGINVIT assets as on March 31, 2023 issued by Valuer is annexed to this report as Annexure and forms a part of this report. The Valuation Report can also be viewed on the Trust's website.

Valuation summary of the SPVs as of March 31, 2023 is as follows:

Initial Portfolio Assets	WACC	Enterprise Value (₹ in million)	Equity Value (₹ in million)	No. of Shares	Value per share (in ₹)
VTL	9.01%	18,695.45	11,091.91	209,730,000	52.89
PKATL	9.01%	3,798.98	2,045.02	61,000,000	33.52
PPTL	9.01%	21,745.77	9,238.46	322,100,000	28.68
PWTL	9.01%	23,913.93	8,511.47	393,300,000	21.64
PJTL	9.01%	17,303.79	5,456.86	226,910,000	24.05

- Details of changes during the year pertaining to

- Addition and divestment of assets including the identity of the buyers or sellers, purchase or sale prices and brief details of valuation for such transactions**

No addition and divestment of assets has been made during FY 2022-23.

- Valuation of assets and NAV (as per the full valuation report)**

Refer page no. 73 of this report for details of NAV.

- Borrowings or repayment of borrowings (standalone and consolidated)**

During the year ended March 31, 2023, no additional borrowing has been taken by PGINVIT. Loan repayment of ₹ 28.78 million has been made during the period, which is in line with Facility Agreement entered into between PGINVIT and HDFC Bank Limited.

- Credit Rating**

The Trust is rated as "CRISIL AAA/Stable" by CRISIL, "[ICRA] AAA (Stable)" by ICRA and "CARE AAA; Stable" by CARE.

Further, Long Term Loan Facility from HDFC Bank Limited is rated "CARE AAA; Stable" by CARE.

- Sponsor, Investment Manager, Trustee, Valuer, Directors of the Trustee or Investment Manager or Sponsor, etc.**

There is no change in the Sponsor, Investment Manager and the Trustee. M/s INMACS Valuers Private Limited was appointed as the Valuer in place of M/s RBSA Valuation Advisors LLP during the year. Changes in the Directors of Sponsor, Investment Manager and Trustee are given hereunder:



Particulars	Name of the Entity	Directors of the Entity
Sponsor	POWERGRID	<ul style="list-style-type: none"> Shri Dilip Nigam ceased to be Govt. Nominee Director on the Board w.e.f. April 30, 2022 Smt. Seema Gupta ceased to be Director on the Board w.e.f. May 31, 2022 Shri Dilip Nigam appointed as Govt. Nominee Director on the Board w.e.f. June 06, 2022 Shri M.N. Venkatesan ceased to be Director on the Board w.e.f. July 10, 2022 Shri Ghanshyam Prasad ceased to be Govt. Nominee Director on the Board w.e.f. July 14, 2022 Shri M. Taj Mukarrum ceased to be Director on the Board w.e.f. July 31, 2022 Shri Raghuraj Madhav Rajendran appointed as Govt. Nominee Director on the Board w.e.f. August 05, 2022 Shri Ravindra Kumar Tyagi appointed as Director on the Board w.e.f. August 12, 2022 Shri G. Ravisankar appointed as Director on the Board w.e.f. September 21, 2022 Shri Raghuraj Madhav Rajendran ceased to be Govt. Nominee Director on the Board w.e.f. October 11, 2022 Mohammad Afzal appointed as Govt. Nominee Director on the Board w.e.f. October 11, 2022
Investment Manager	PUTL	<ul style="list-style-type: none"> Smt. Seema Gupta ceased to be Director & Chairperson on the Board w.e.f. May 31, 2022 Shri Abhay Choudhary appointed as Director & Chairman on the Board w.e.f. June 01, 2022 Shri Ashok Kumar Singhal ceased to be Director on the Board w.e.f. March 31, 2023

Particulars	Name of the Entity	Directors of the Entity
Trustee	IDBI Trusteeship Services Ltd.	<ul style="list-style-type: none"> Smt. Madhuri J. Kulkarni ceased to be Director on the Board w.e.f. December 06, 2022 Shri Pradeep Kumar Malhotra appointed as Director on the Board w.e.f. December 14, 2022 Smt. Padma V. Betai ceased to be Director on the Board w.e.f. December 31, 2022 Shri Baljinder Kaur Mandal appointed as Director on the Board w.e.f. January 17, 2023
		<ul style="list-style-type: none"> Shri Purshottam Agarwal appointed as Director on the Board of Investment Manager w.e.f. April 01, 2023 Shri J. Samuel Joseph ceased to be Director on the Board of Trustee w.e.f. April 18, 2023 Mohammad Afzal ceased to be Govt. Nominee Director on the Board of Sponsor w.e.f. May 17, 2023 Dr. Saibaba Darbamulla appointed as Govt. Nominee Director on the Board of Sponsor w.e.f. May 18, 2023 Shri Vinod Kumar Singh ceased to be Director on the Board of Sponsor w.e.f. May 31, 2023
		<p>f) Clauses in trust deed, investment management agreement or any other agreement entered into pertaining to activities of InvIT</p> <p>Except otherwise specified, during the period under review, there were no changes in clauses in trust deed, investment management agreement or any other agreements.</p>
		<p>g) Any regulatory changes that has impacted or may impact cash flows of the underlying projects</p> <p>Except otherwise specified, during the period under review, there were no regulatory changes that has impacted or may impact cash flows of the underlying projects.</p>
		<p>h) Change in material contracts or any new risk in performance of any contract pertaining to the InvIT</p> <p>Except otherwise specified, during the period under review, there were no changes in material contracts or any new risk in performance of any contract pertaining to the Trust.</p>
		<p>i) Any legal proceedings which may have significant bearing on the activities or revenues or cash flows of the InvIT</p> <p>Except otherwise specified in this report or its Annexures, during the period under review, there were no legal proceedings which may have significant bearing on the activities or revenues or cash flows of the Trust.</p>



j) Any other material change during the year

Except otherwise specified, during the period under review, there were no material changes during the year.

- **Revenue of the InvIT for the last 5 years, project-wise**
Pursuant to PGINVIT IPO in May 2021, PGINVIT acquired 74% equity shareholding in VTL, PKATL, PPTL, PWTL and PJTL from POWERGRID on May 13, 2021. Accordingly, the revenue of PGINVIT is available for part of FY 2021-22.

Following that, on March 31, 2022, PGINVIT acquired balance 26% equity shareholding in VTL from POWERGRID. Furthermore, on the same date, PPTL, PWTL and PJTL (SPVs of PGINVIT) acquired change in law revenue from POWERGRID. Consequently, the revenue of PGINVIT for the fiscal year 2022-23 incorporates the revenue generated by the aforementioned acquisitions.

(₹ in million)

Particulars	April 1, 2022 to March 31, 2023	May 13, 2021 to March 31, 2022
VTL	2,455.37	2,604.51
PKATL	695.10	626.98
PPTL	3,419.49	2,975.01
PWTL	3,850.47	3,324.77
PJTL	2,675.48	2,642.12
Total	13,095.91	12,173.39

- **Update on development of under-construction projects, if any**

Implementation of one no. 125 MVA, 420kV Bus Reactor at Kala Amb substation by PKATL is under progress. The project is allotted by Ministry of Power, Gol under Regulated Tariff Mechanism and Hon'ble CERC has granted a separate transmission licence for same.

Loan agreement between PGINVIT and PKATL provides for funding the project and work is under progress through the contracting agency. The Project is scheduled for completion in Fiscal 2023-24.

- **Details of outstanding borrowings and deferred payments of InvIT including any credit rating(s), debt maturity profile, gearing ratios of the InvIT on a consolidated and standalone basis as at the end of the year**

(₹ in million)

Particulars	Standalone	Consolidated
(a) Outstanding Long Term Debt	5,727.07	5,727.07
(b) Less: Cash and cash equivalents	2,911.23	4,994.87
(c) Net Debt (a-b)	2,815.84	732.20
(d) Total Equity	78,292.30	77,064.89
(e) Total Equity plus Net Debt (c+d)	81,108.14	77,797.09
(f) Gearing Ratio (c/e)	3.47%	0.94%
(g) Credit Rating for Long Term Loan Facility	CARE AAA; Stable	
(h) Tenure of Loan	16 years	

- **The total operating expenses of the InvIT along with detailed break-up, including all fees and charges paid to the Investment Manager and any other parties, if any during the year**

Refer Financial Statements for details.

- **Past performance of the InvIT with respect to unit price, distributions made and yield for the last 5 years, as applicable.**

Particulars	FY 2022-23	FY 2021-22
Unit Price at the beginning of the period (NSE Closing Price)	₹ 134.17	₹ 102.99 ⁵
Unit Price at the end of the period (NSE Opening Price)	₹ 122.52	₹ 133.90
VWAP Unit Price (NSE)	₹ 130.04	₹ 116.44
Distributions made for the period	₹ 12.00 per unit*	₹ 10.50 per unit**
Yield (Annualised)	9.23%	10.19%

⁵Closing price as on the date of listing.

* Includes DPU of ₹ 3.00/per unit for the quarter ended March 31, 2023.

** ₹ 10.50 per unit was distributed for the period from May 13, 2021 to March 31, 2022.

- **Unit price quoted on the exchange at the beginning and end of the financial year, the highest and lowest unit price and the average daily volume traded during the financial year**

Particulars	NSE	BSE
Price information (₹)		
Unit Price at the beginning of the period (April 01, 2022)- opening price	135.52	136.00
Unit Price at the ending of the period (March 31, 2023)- closing price	122.52	122.62
Highest Unit Price	142.00	160.00
Lowest Unit Price	114.75	114.56
Volume Information		
Average Daily Volume Traded during the period (in Thousands)	395.69	31.04
Total Average Daily Volume Traded (On both NSE and BSE) (in Thousands)	426.73	



- **Details of all related party transactions during the year, value of which exceeds five percent of value of the InvIT Assets**
There are no related party transactions during the period, value of which exceeds five percent of value of the InvIT.
- **Details regarding the monies lent by the InvIT to the holding company or the special purpose vehicle in which it has investment in:**

(₹ in million)

Particulars	Opening Balance as on April 01, 2022	Loan given during the period	Loan repaid during the period	Closing Balance as on March 31, 2023
VTL	7,839.88	-	-	7,839.88
PKATL	1,860.00	-	-	1,860.00
PPTL	13,567.94	-	295.00	13,272.94
PWTL	16,172.07	-	185.00	15,987.07
PJTL	12,942.95	-	705.00	12,237.95
Total	52,382.84	-	1,185.00	51,197.84

- **Details of issue and buyback of units during the year, if any**

Issues of Units:

During the period under review, there was no issue of units by the Trust.

Buyback of Units:

During the period under review there was no buy back of units by the Trust.

- **Brief details of material and price sensitive information**

Except otherwise specified or disclosed to the Exchanges from time to time, during the period under review, there were no material changes, events or material and price sensitive information to be disclosed for the Trust.

- **Brief details of material litigations and regulatory actions, which are pending, against the InvIT, Sponsor(s), Investment Manager, Project Manager(s), or any of their associates and the Trustee - if any, as at the end of the year**

Except otherwise specified in this report or its Annexures, there are no material litigation and actions by regulatory authorities currently pending against the Trust, the Investment Manager, the Sponsor and the Project Manager, or any of their Associates and the Trustee. For the Trust, Investment Manager and for Sponsor or Project Manager, outstanding cases and/or regulatory action which involve an amount exceeding ₹ 657.65 million, ₹ 14.28 million and ₹ 23,302.82 million (being 5% of the total consolidated revenue or consolidated networth of the respective entity, whichever is lower) have been considered material, respectively for the review period.

Except otherwise specified, during the period under review, there were no regulatory changes that has impacted or may impact the underlying projects.

- **Risk factors**

The Trust constantly monitor the risks associated with its business and adequate steps are taken to mitigate these risks.

Major risks are as follows:

- Financial health of Customer**
Delay in payment of billed transmission charges by customers to the CTU under Sharing Regulations may affect the cash flows and results of operations.
- Ability to operate and maintain target availability**
Inability of Project Manager to ensure operate and maintain our power transmission projects to achieve prescribed availability may adversely impact the cash flows.
- Distributions to our Unitholders**
Inability to make distributions as per investor expectations or anticipation could materially and adversely affect the market price of our Units.
- Increase in Costs**
The transmission charges under TSAs are largely fixed. Increase in O&M costs, insurance or any other cost could adversely impact profitability.
- Growth**
Highly competitive environment of power transmission sector and increased competitive pressure could adversely affect the ability of the Investment Manager to execute the growth strategy.



f. Unforeseen Events

Any force majeure event rendering our project inoperable and not covered by insurance or TSA can adversely impact the results of operations and cash flows.

g. Insurance

We have taken Industrial All Risk Insurance Policy for our assets. If our losses significantly exceed our insurance coverage or cannot be recovered through insurance for any reason whatsoever, our results of operations and cash flows could be materially and adversely affected.

h. Control of Government of India

There is no assurance that the Investment Manager Board will at all times be in compliance with the requirements for board constitution and related provisions under the InvIT Regulations.

i. Novel Coronavirus ('COVID-19')

We cannot predict the effect any event like epidemics, pandemics such as Covid-19, weather conditions, natural disasters, etc. will have on our business, prospects, financial condition, results of operations, cash flows, future operations and performance.

j. Interest Rate Risk

Increase in interest rates may adversely impact the profitability and distribution to unitholders.

Note: Detailed risk factors are provided in the Final Offer Document.



Report on Corporate Governance

BACKGROUND

PGInVT was settled as a Trust under Indian Trusts Act, 1882 on September 14, 2020 to own, construct, operate, maintain and invest as an infrastructure investment trust as permissible in terms of the InvIT Regulations, including in power transmission assets in India. It was registered as an infrastructure investment trust with SEBI on January 7, 2021, under the InvIT Regulations, with Registration Number IN/InvIT/20-21/0016.

IDBI Trusteeship Services Limited, the Trustee of PGInVT is a debenture trustee registered with SEBI. The Trustee has appointed POWERGRID Unchahar Transmission Limited, a wholly owned subsidiary of Power Grid Corporation of India Limited, as the Investment Manager to PGInVT, in accordance with the InvIT Regulations.

PHILOSOPHY ON CORPORATE GOVERNANCE

POWERGRID Unchahar Transmission Limited ("PUTL"), appointed as the Investment Manager ("IM") to PGInVT pursuant to the Investment Management Agreement dated December 18, 2020, is responsible for day-to-day management and administration of InvIT Assets and making investment decisions with respect to the underlying assets or projects of the Trust, including any further investment or divestment of its assets, in accordance with InvIT Regulations and the Investment Management Agreement entered into in relation to the Trust.

The Investment Manager's Corporate Governance pillars includes:

- IM's Board of Directors
- IM's key personnel led by a Chief Executive Officer
- Committees of the IM Board and
- Corporate Governance Framework in relation to the Trust, implemented by the IM.

The Corporate Governance Framework *inter-alia* sets out the Board composition, its quorum and frequency of meetings, committees to be formed including their composition, terms of reference, frequency of meetings and quorum requirements and various policies including Code of Conduct to be adopted by the Investment Manager in relation to the Trust and is available on the website of the Trust.

BOARD OF DIRECTORS

The Board of the Investment Manager comprises four Directors including two Non-Executive (Non-independent) Directors nominated by POWERGRID, the holding company and two independent directors appointed by the Government of India. All the directors are non-executive directors, one half of which are Independent Directors.

The collective experience of the directors of the Investment Manager covers a broad range of commercial experience, particularly experience in infrastructure sector (including the applicable sub-sector), investment management or advisory and financial matters. The brief profiles of the Directors are given on page no. 18 of this report.

Composition of the Board of Directors of the Investment Manager during the financial year was in adherence to applicable provisions of Companies Act, 2013, InvIT Regulations, and Corporate Governance Framework adopted by IM which requires that:

- not less than 50% of the board of directors shall comprise of independent directors and not directors or members of the governing board of the Investment Manager of another infrastructure investment trust registered under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, provided required number of independent directors are nominated/appointed on the governing board of the Investment Manager by the Government of India, and
- collective experience of directors should cover a broad range of commercial experience, particularly experience in infrastructure sector (including the applicable sub-sector), investment management or advisory and financial matters.

BOARD COMPOSITION

As on March 31, 2023, the Board of Directors of Investment Manager comprised the following:

S. No.	Particulars of the Directors	Designation	Date of Appointment
1.	Shri Abhay Choudhary	Non-executive (Non-independent) Director & Chairman	01/06/2022
2.	Shri Ashok Kumar Singhal*	Non-executive (Non-independent) Director	17/12/2020
3.	Shri Onkarappa KN	Independent Director	10/02/2022
4.	Shri Ram Naresh Tiwari	Independent Director	10/02/2022

*Ceased to be Non-executive (Non-independent) Director of PUTL consequent upon his superannuation from the holding company of PUTL i.e. Power Grid Corporation of India Limited ("POWERGRID") on March 31, 2023.

Shri Purshottam Agarwal, Executive Director, POWERGRID has been appointed as Non-executive (Non-independent) Director of PUTL w.e.f. April 01, 2023.



Quorum

The quorum shall be at least 50% of the number of directors on the board. At least 50% of the directors present shall be independent directors, provided required number of independent directors are nominated/ appointed on the governing board of the Investment Manager by the Government of India.

Meetings of Board of Directors

During the financial year ended March 31, 2023, ten meetings of the Board of Directors of Investment Manager were held i.e. on April 20, 2022, May 26, 2022, June 28, 2022, July 27, 2022, August 29, 2022, October 21, 2022, November 9, 2022, January 24, 2023, March 02, 2023 and March 31, 2023.

Attendance of meetings of Board of Directors

Name of the Directors	No. of Meetings entitled to attend	No. of Meetings Attended
Non-Executive (Non-Independent) Directors		
Shri Abhay Choudhary [§]	08	08
Smt. Seema Gupta*	02	02
Shri Ashok Kumar Singhal**	10	10
Independent Directors		
Shri Onkarappa KN	10	10
Shri Ram Naresh Tiwari	10	10

§ Appointed as Director and Chairman w.e.f. June 01, 2022.

*Ceased to be Director & Chairperson w.e.f. May 31, 2022.

**Ceased to be Director w.e.f. March 31, 2023.

REMUNERATION OF DIRECTORS

Board of Investment Manager comprises four directors including two Non-Executive (Non-independent) Directors nominated by POWERGRID, the holding company and two independent directors appointed by the Government of India. The Non-Executive (Non-independent) Directors nominated by POWERGRID do not draw any remuneration/sitting fee for attending the meetings of the Board and Committees of Board from the Investment Manager. Independent Directors are paid sitting fee for attending Board/ Committee meetings of Investment Manager, as fixed by the Board of Investment Manager within the ceiling prescribed for payment of sitting fee under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and in accordance with the Government Guidelines for attending the Board Meetings as well as Committee Meetings.

Details of Payment made towards sitting fee to Independent Directors during the year 2022-23 are given below:

Independent Directors	Sitting Fee		Total (₹)
	Board Meeting (₹)	Meeting of Committees of Board (₹)	
Shri Onkarappa KN	3,15,000	2,95,000	6,10,000
Shri Ram Naresh Tiwari	3,15,000	3,55,000	6,70,000

COMMITTEES OF THE BOARD OF DIRECTORS

The Investment Manager has constituted following Committees, in relation to the Trust:

- Investment Committee;
- Audit Committee;
- Stakeholders' Relationship Committee;
- Nomination and Remuneration Committee*; and
- Risk Management Committee*.

*Constituted by IM Board on March 31, 2023.

In addition to the aforesaid Committees, Investment Manager has voluntarily formed 'Committee of Directors for Appointments' in relation to the Trust.

i. Investment Committee

As on March 31, 2023, the Investment Committee comprised the following members:

S. No.	Name of Members	Category	Designation
i.	Shri Ram Naresh Tiwari	Independent Director	Chairman of the Committee
ii.	Shri Onkarappa KN	Independent Director	Member
iii.	Shri Ashok Kumar Singhal	Non-executive (Non-independent) Director	Member

The Company Secretary is the Secretary to the Investment Committee.

Quorum

The quorum shall be at least one-third of the members of the Investment Committee or two members, whichever is higher. At least 50% of the members present, shall be independent directors, provided required number of independent directors are nominated / appointed on the governing board of the Investment Manager by the Government of India.

Meetings

During the financial year ended March 31, 2023, four meetings of the Investment Committee were held i.e. on June 17, 2022, September 26, 2022, December 09, 2022 and March 24, 2023.

Terms of reference of the Investment Committee include the following:

- review of the investment decisions with respect to the underlying assets or projects of the Trust from the Sponsor including any further investments or divestments to ensure protection of the interest of unitholders;
- undertaking all functions in relation to protection of unitholders' interests and resolution of any conflicts of interest (other than in relation to investors' grievances)



including reviewing agreements or transactions in this regard;

- iii. approving any proposal in relation to acquisition of assets, further issue of units including in relation to acquisition or assets;
- iv. overseeing activities of the project manager in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended or supplemented, including any guidelines, circulars, notifications and clarifications framed or issued thereunder and the project implementation and management agreement; and
- v. formulating any policy for the Investment Manager as necessary, in relation to its functions, as specified above.

ii. Audit Committee

As on March 31, 2023, the Audit Committee comprised the following members:

S. No.	Name of Members	Category	Designation
i.	Shri Onkarappa KN	Independent Director	Chairman of the Committee
ii.	Shri Ram Naresh Tiwari	Independent Director	Member
iii.	Shri Ashok Kumar Singhal	Non-executive (Non-independent) Director	Member

The Company Secretary is the Secretary to the Audit committee.

Quorum

The quorum shall be at least one-third of the members of the Audit Committee or two members, whichever is higher. At least two members present shall be independent directors, provided required number of independent directors are nominated/ appointed on the governing board of the Investment Manager by the Government of India.

Meetings

During the financial year ended March 31, 2023, eight meetings of the Audit Committee were held i.e. on April 20, 2022, May 26, 2022, June 28, 2022, July 27, 2022, October 21, 2022, November 09, 2022, January 24, 2023 and March 24, 2023.

Terms of reference of the Audit Committee include the following:

- i. examination of the financial statement of Investment Manager and the auditors' report thereon;
- ii. provide recommendations to the board of directors regarding any proposed distributions by POWERGRID Infrastructure Investment Trust ('Trust');

- iii. overseeing the Trust's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- iv. giving recommendations to the board of directors regarding appointment, re-appointment and replacement, remuneration and terms of appointment of the statutory auditor of the Trust and the audit fee, subject to the approval of the unitholders;
- v. reviewing and monitoring the independence and performance of the statutory auditor of the Trust, and effectiveness of audit process;
- vi. approving payments to statutory auditors of the Trust for any other services rendered by such statutory auditors;
- vii. reviewing the annual financial statements and auditor's report thereon of the Trust, before submission to the board of directors for approval, with particular reference to:
 - changes, if any, in accounting policies and practices and reasons for such change;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions; and
 - qualifications in the draft audit report.
- viii. reviewing, with the management, all periodic financial statements, including but not limited to quarterly, half yearly and annual financial statements of the Trust, whether standalone or consolidated or in any other form as may be required under applicable law, before submission to the board of directors for approval;
- ix. reviewing, with the management, the statement of uses/ application of funds raised through an issue of units by the Trust (including but not limited to public issue, rights issue, preferential issue, private placements, etc.) and any issue of debt securities, and the statement of funds utilised for purposes other than those stated in the offer documents/ notice, and making appropriate recommendations to the board of directors for follow-up action;
- x. approval or any subsequent modifications of transactions of the Trust with related parties;
- xi. recommending such related party transactions to the board of directors or the Unitholders, as may be required, in terms of the InvIT Regulations;



- xii. scrutinising loans and investments of the Trust;
- xiii. reviewing all valuation reports required to be prepared under applicable law, periodically, and as required, under applicable law;
- xiv. evaluating financial controls and risk management systems of the Trust;
- xv. reviewing, with the management, the adequacy of the internal control systems of the Trust, as necessary;
- xvi. discussion with internal auditors of any significant findings relating to the Trust and follow up there on;
- xvii. reviewing the adequacy of internal audit function if any of the Trust, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xviii. reviewing the findings of any internal investigations in relation to the Trust, into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board of directors;
- xix. reviewing the procedures put in place by the Investment Manager for managing any conflict that may arise between the interests of the unitholders, the parties to the Trust and the interests of the Investment Manager, including related party transactions, the indemnification of expenses or liabilities incurred by the Investment Manager, and the setting of fees or charges payable out of the Trust's assets;
- xx. discussing with statutory auditors and valuers of the Trust prior to commencement of the audit or valuation, respectively, about the nature and scope, as well as post-audit/ valuation discussion to ascertain any area of concern;
- xxi. reviewing and monitoring the independence and performance of the valuer of the Trust;
- xxii. giving recommendations to the board of directors regarding appointment, re-appointment and replacement, remuneration and terms of appointment of the valuer of the Trust;
- xxiii. evaluating any defaults or delay in payment of distributions to the unitholders or dividends by the SPVs to the Trust and payments to any creditors of the Trust or the SPVs, and recommending remedial measures;
- xxiv. review of management's discussion and analysis of financial condition and results of operations of the Trust;
- xxv. review of statement of significant related party transactions of the Trust, submitted by the management;
- xxvi. granting omnibus approval for related party transactions (which approvals shall be valid for a period not exceeding one year from the date of each such approval, and related party transactions undertaken after the expiry of such period shall require fresh approval of the Audit Committee);
- xxvii. review, on a quarterly basis, of the details of related party transactions entered into by the Trust pursuant to the omnibus approval;
- xxviii. review of management letters/letters of internal control weaknesses issued by the statutory auditors of the Trust;
- xxix. giving recommendations to the board of directors regarding audit fee to be paid to the Statutory Auditors of the Investment Manager and payments for any other services rendered by such Statutory Auditors;
- xxx. approval or any subsequent modification of transactions of the Investment Manager with related parties, in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder;
- xxxi. carrying out any other function in relation to the Investment Manager as mentioned in the terms of reference of audit committee under the Companies Act, 2013 and amendments thereto from time to time; and
- xxxii. formulating any policy for the Investment Manager as necessary, in relation to its functions, as specified above.

iii. Stakeholders' Relationship Committee

As on March 31, 2023, the Stakeholders' Relationship Committee comprised the following members:

S. No.	Name of Members	Category	Designation
i.	Shri Abhay Choudhary	Non-executive (Non-independent) Director	Chairman of the Committee & Chairman
ii.	Shri Ram Naresh Tiwari	Independent Director	Member
iii.	Shri Ashok Kumar Singhal	Non-executive (Non-independent) Director	Member

Quorum

The quorum shall be at least one-third of the members of the Stakeholders' Relationship Committee or two members, whichever is higher.

Meetings

During the financial year ended March 31, 2023, four meetings of the Stakeholders' Relationship Committee were held i.e. on April 20, 2022, July 14, 2022, October 21, 2022 and January 13, 2023.



Terms of reference of the Stakeholders' Relationship Committee include the following:

- i. consider and resolve grievances of the unitholders of POWERGRID Infrastructure Investment Trust ('Trust') including complaints related to the transfer of units, non-receipt of annual report and non-receipt of declared distributions;
- ii. review of any litigation related to unitholders' grievances;
- iii. update unitholders on acquisition/ sale of assets by the Trust and any change in the capital structure of the SPVs;
- iv. reporting specific material litigation related to unitholders' grievances to the Board of Directors; and
- v. approve report on investor grievances to be submitted to the trustee of the Trust.

iv. Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted on March 31, 2023 and comprised the following members:

S. No.	Name of Members	Category	Designation
i.	Shri Onkarappa KN	Independent Director	Chairman of the Committee
ii.	Shri Ram Naresh Tiwari	Independent Director	Member
iii.	Shri Ashok Kumar Singhal	Non-executive (Non-independent) Director	Member

Quorum

The quorum for Nomination and Remuneration Committee shall be either two members or one-third of the members of the committee, whichever is greater, with at least one independent director in attendance, provided required number of independent directors are nominated / appointed on the governing board of the Investment Manager by the Government of India.

Meetings

No meeting of Nomination and Remuneration Committee was held.

Terms of reference of the Nomination and Remuneration Committee include the following:

- i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- ii. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.

For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- iii. formulation of criteria for evaluation of performance of independent directors and the board of directors;
 - iv. devising a policy on diversity of board of directors;
 - v. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
 - vi. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
 - vii. recommend to the board, all remuneration, in whatever form, payable to senior management; and
 - viii. performing such other activities as may be delegated by the Board of Directors and/ or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

v. Risk Management Committee

The Risk Management Committee was constituted on March 31, 2023 and comprised the following members:

S. No.	Name of Members	Category	Designation
i.	Shri Ram Naresh Tiwari	Independent Director	Chairman of the Committee
ii.	Shri Onkarappa KN	Independent Director	Member
iii.	Shri Ashok Kumar Singhal	Non-executive (Non-independent) Director	Member

Quorum

The quorum for a meeting of the Risk Management Committee shall be either two members or one third of the members of the committee, whichever is higher, including at least one member of the board of directors in attendance.

Meetings

No meeting of Risk Management Committee was held.

Terms of reference of the Risk Management Committee include the following:

- i. to formulate a detailed risk management policy which shall include:
 - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee ;



- b. Measures for risk mitigation including systems and processes for internal control of identified risks ;
- c. Business continuity plan.
- ii. to ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of Trust;
- iii. to monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- iv. to periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- v. to keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- vi. the appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee; and
- vii. performing such other activities as may be delegated by the board of directors and/ or are statutorily prescribed under any law to be attended to by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

vi. Committee of Directors for Appointments

As on March 31, 2023, the Committee of Directors for Appointments comprised the following members:

S. No.	Name of Members	Category	Designation
i.	Shri Abhay Choudhary	Non-executive (Non-independent) Director & Chairman	Chairman of the Committee
ii.	Shri Onkarappa KN	Independent Director	Member
iii.	Shri Ram Naresh Tiwari	Independent Director	Member

Meetings

During the financial year ended March 31, 2023, one meeting of the Committee of Directors for Appointments was held i.e. on August 29, 2022.

ATTENDANCE OF DIRECTORS AT MEETINGS OF COMMITTEES OF BOARD OF DIRECTORS

Name of the Directors	Investment Committee (Attended/Entitled)	Audit Committee (Attended/Entitled)	Stakeholders' Relationship Committee (Attended/Entitled)
Non-executive (Non-independent) Director			
Shri Abhay Choudhary [§]	Nil/Nil	Nil/Nil	03/03
Smt. Seema Gupta*	Nil/Nil	Nil/Nil	01/01
Shri Ashok Kumar Singhal**	04/04	08/08	04/04
Independent Directors			
Shri Onkarappa KN	04/04	08/08	Nil/Nil
Shri Ram Naresh Tiwari	04/04	08/08	04/04

[§]Appointed as Director and Chairman w.e.f. June 01, 2022

*Ceased to be Director and Chairperson w.e.f. May 31, 2022

**Ceased to be Director w.e.f. March 31, 2023

Note: No meetings were held during the financial year in respect of Risk Management Committee and Nomination and Remuneration Committee, which were constituted by the IM Board on March 31, 2023.

Shri Purshottam Agarwal was appointed as Non-executive (Non-independent) Director and Member of Investment Committee, Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Risk Management Committee (in place of Shri Ashok Kumar Singhal) w.e.f. April 01, 2023.

Further, the Investment Manager has also constituted a Corporate Social Responsibility (CSR) Committee as required under the Companies Act, 2013. The responsibilities of the CSR Committee *inter-alia* include formulating and recommending to the IM Board, a corporate social responsibility policy ('CSR Policy'); recommending the amount of expenditure to be incurred on the activities to be undertaken by the Investment Manager; monitoring CSR Policy from time to time; formulating and recommending to the IM Board, an annual action plan in pursuance of CSR Policy; and undertaking such matters as are necessary or expedient in complying with provisions of the Companies Act, 2013 and rules made thereunder.

POLICIES ADOPTED BY THE BOARD OF DIRECTORS OF INVESTMENT MANAGER IN RELATION TO TRUST

1. **Borrowing Policy:** The Investment Manager has adopted the Borrowing Policy in relation to the Trust to ensure that all funds borrowed in relation to the Trust are in compliance with the InvIT Regulations.
2. **Policy on Related Party Transactions:** The Investment Manager has adopted the Policy on Related Party Transactions to regulate the transactions of the Trust with its related parties based on the laws and regulations applicable to the Trust and best practices to ensure proper approval, supervision and reporting of the transactions between the Trust and its related parties.



3. **Distribution Policy:** The Investment Manager has adopted the Distribution Policy to ensure proper and timely distribution of Distributable Income of the Trust. The Distributable Income of the Trust is calculated in accordance with the Distribution Policy, InvIT Regulations and any circular, notification or guidelines issued thereunder. In line with the Distribution Policy, the InvIT Assets shall distribute not less than 90% of each of their net distributable cash flows to the Trust and the Trust shall distribute at least 90% of the Distributable Income to the Unitholders. Distribution shall be declared and made not less than once every quarter except for the first distribution.
4. **Policy for Determining Materiality of Information for Periodic Disclosures ("Materiality Policy") of the Trust:** The Investment Manager has adopted the Materiality Policy outlining the process and procedures for determining materiality of information in relation to periodic disclosures on the Trust's website, to the stock exchanges and to all stakeholders at large, in relation to the Trust.
5. **Code of Conduct:** The Investment Manager has adopted a Code of Conduct in relation to the Trust. The Trust and the Parties to the Trust shall comply with the Code at all times, in accordance with the InvIT Regulations.
6. **Unpublished Price Sensitive Information ("UPSI") Policy:** The Investment Manager has adopted the UPSI Policy to ensure that the Trust complies with applicable laws, including the InvIT Regulations or such other Indian laws, regulations, rules or guidelines prohibiting insider trading and governing disclosure of material, unpublished price sensitive information.
7. **Policy on appointment of the auditor and valuer of the Trust:** The Investment Manager has adopted the appointment policy, for appointment of auditor and valuer to the Trust in accordance with the InvIT Regulations.

The policies are available on the website of the Trust and can be accessed at <https://www.pginvit.in>.

AMENDMENT TO INVIT REGULATIONS-INTRODUCTION OF CORPORATE GOVERNANCE NORMS FOR INVITS

SEBI, vide notification dated February 14, 2023, has notified SEBI (InvIT) (Amendment) Regulations, 2023 ("Amended InvIT Regulations") to prescribe corporate governance norms ("governance norms") for InvITs. The Amended InvIT Regulations *inter-alia* include a new Chapter on "Obligations of the Investment Managers" pursuant to which some specific regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 became applicable for InvITs along with other requirements. Pursuant to introduction of the governance norms, the Board of Directors of IM, in its meeting held on March 31, 2023, has:

- i. adopted amended Corporate Governance Framework ("Amended Corporate Governance Framework") in relation to PGInvIT;
- ii. adopted amended Corporate Governance Policies ("Amended Corporate Governance Policies") in relation to PGInvIT namely 'Code of Conduct for PGInvIT'; 'Policy on

Appointment of Auditor and Valuer of PGInvIT'; and 'Policy for determining materiality of information for periodic disclosures of PGInvIT';

- iii. adopted new Corporate Governance Policies ("New Corporate Governance Policies") in relation to PGInvIT namely 'Code of Conduct for Board of Directors and Senior Management Personnel of Investment Manager', 'Nomination and Remuneration Policy', 'Policy for familiarisation programmes for Independent Directors of Investment Manager', 'Risk Management Policy', 'Policy on succession planning for the Board and Senior Management of Investment Manager'; and
- iv. adopted Whistle Blower and Fraud Prevention Policy of its holding Company i.e. POWERGRID.

Amended Corporate Governance Framework, Amended Corporate Governance Policies and New Corporate Governance Policies are effective from April 01, 2023 and can be accessed on the website of PGInvIT at <https://www.pginvit.in>.

SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are centralised database of all complaints, online upload of Action Taken Reports by the concerned entities and online viewing by investors of actions taken on the complaint and its current status.

PGInvIT has been registered on SCORES and the Investment Manager makes every effort to resolve all investor complaints received through SCORES or otherwise, within the statutory time limit from the receipt of the complaint.

INVESTOR GRIEVANCES

Various queries/ complaints as received from the investors of the Trust during the financial year ended March 31, 2023 were redressed in a timely manner by the Investment Manager/ the Registrar and Transfer Agent of the Trust. The details of the complaints received and disposed of during the year are as under:

For Financial year (FY) 2022-23 - Up to March 31, 2023

Particulars	All complaints including SCORES complaints	SCORES Complaints
Number of investor complaints pending at the beginning of the year	0	0
Number of investor complaints received during the year	2	2
Number of investor complaints disposed of during the year	2	2
Number of investor complaints pending at the end of the year	0	0
Average time taken for redressal of complaints	3 Working Days	3 Working Days



Apart from the above-mentioned complaints, 1,461 e-mails were received from the investors in FY 2022-23 regarding general query/ enquiry about the Announcement of Financial Results/ Announcement of Distribution/ Profile details/ Bank account details/ PAN Details/ Statement of Income/ Distribution Break up/ TDS on Distribution/ TDS certificate/ Annual report, etc. which have been responded within average time of 2 working days.

UNITHOLDERS MEETING

a) Annual Meeting of the Unitholders:

Period	Date	Time	Venue
Financial year 2021-22	July 27, 2022	2:30 P.M.(IST)	Through Video Conferencing

b) Other Meeting of Unitholders:

No other Meeting of Unitholders was held during the reporting period.

c) Postal Ballot(s):

No resolution(s) were passed by Unitholders of PGINVT through postal ballot during the reporting period.

CREDIT RATING

PGInvIT is rated as "CRISIL AAA/Stable" by CRISIL, "[ICRA] AAA (Stable)" by ICRA and "CARE AAA; Stable" by CARE. Further, the Long-Term Bank facility from HDFC Bank Limited is rated "CARE AAA; Stable" (Triple A; Outlook: Stable) by CARE.

MEANS OF COMMUNICATION

The quarterly, half yearly and yearly financial results of the Trust were submitted to the Stock Exchanges, after their approval by the Board of Investment Manager. The said results, investor presentations, earnings call updates and other information/ latest updates/ announcements made by the Trust can be accessed on the website of PGINVT at <https://www.pginvit.in>. For additional information, refer page 40.

GENERAL UNITHOLDERS' INFORMATION

1. Annual Meeting

Monday, July 24, 2023 at 2:30 P.M (IST) through Video Conferencing or Other Audio Visual Means (OAVM)

2. Financial Year

Trust's financial year is from 1st April to 31st March.

3. Listing on Stock Exchanges

PGInvIT's units are listed on the following Stock Exchanges:

NSE	BSE
Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051, Maharashtra	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra

PGInvIT units are a part of Nifty REITs & InvITs Index which was launched in April, 2023.

4. Unit Information

Symbol & Scrip Codes of units of PGINVT are given as under:

NSE Symbol: PGINVT	BSE Scrip ID: PGINVT
	BSE Scrip Code: 543290

Lot Size for Trading: 1 unit

ISIN: INE0GGX23010

5. Unit Market Price Data

The details of monthly High-Low price(s) of Units of the Trust and number of Units traded on NSE and BSE are as under:

Month	NSE		BSE	
	Price (₹) (High/Low)	No. of units traded	Price (₹) (High/Low)	No. of units traded
April, 2022	141.95/ 132.30	95,04,085	160.00/ 132.91	6,22,166
May, 2022	140.40/ 132.50	66,43,406	141.15/ 132.91	7,73,884
June, 2022	138.00/ 128.84	81,38,670	137.39/ 129.00	4,91,315
July, 2022	135.98/ 129.50	64,39,084	136.75/ 129.60	4,18,957
August, 2022	139.00/ 131.20	58,37,350	155.00/ 129.50	7,49,659
September, 2022	139.98/ 134.99	53,37,518	140.99/ 134.00	4,68,264
October, 2022	142.00/ 137.81	38,77,683	144.95/ 137.77	4,19,926
November, 2022	139.00/ 125.75	1,28,81,512	138.98/ 125.81	7,45,676
December, 2022	130.00/ 127.00	56,47,055	130.89/ 126.25	4,97,918
January, 2023	130.00/ 125.25	94,61,726	130.00/ 125.51	5,54,070
February, 2023	127.25/ 114.75	12,28,9041	128.49/ 114.56	9,56,338
March, 2023	123.00/ 115.00	1,24,68,890	134.00/ 115.50	10,29,610

6. Distribution

The details of Distribution made by the Trust for financial year ended March 31, 2023 are as under:

Date of Board Meeting	Distribution Number	DPU (₹)	Record Date/ Payment Date
July 27, 2022	First	3.00	August 02, 2022 / August 08, 2022
November 09, 2022	Second	3.00	November 15, 2022 / November 21, 2022
January 24, 2023	Third	3.00	January 30, 2023 / February 06, 2023
May 25, 2023	Fourth	3.00	May 31, 2023 / June 08, 2023

Detailed break-up of Distributions made during the year is indicated on the page 04 of the Report.



7. Top 10 Unitholders as on March 31, 2023

S. No.	Name of Unitholders	Total No. of Units held	Percentage of total outstanding Units (%)
1.	POWER GRID CORPORATION OF INDIA LIMITED-Sponsor	13,65,00,100	15.00
2.	CPP INVESTMENT BOARD PRIVATE HOLDINGS 4 INC	9,18,44,500	10.09
3.	NPS TRUST	6,51,20,655	7.16
4.	CAPITAL INCOME BUILDER	5,91,48,100	6.50
5.	HDFC TRUSTEE COMPANY LTD.	4,61,68,062	5.07
6.	TATA AIG GENERAL INSURANCE COMPANY LIMITED	1,64,80,332	1.81
7.	SCHRODER ASIAN ASSET INCOME FUND	1,50,47,474	1.65
8.	SCHRODER ASIAN INCOME	1,49,19,972	1.64
9.	ICICI LOMBARD GENERAL INSURANCE COMPANY LTD.	1,23,84,900	1.36
10.	TATA AIA LIFE INSURANCE COMPANY LTD.	1,19,99,900	1.32

None of the Directors or Key Managerial Personnel of Investment Manager held any units of the Trust during the financial year 2022-23.

8. PGIInvIT - Unitholding as on March 31, 2023

Units held by different categories of unitholders and according to the size of the unitholdings as on March 31, 2023 are given below:

a. Distribution of unitholding according to size as on March 31, 2023:

S. No.	Unit Range	Number of Unitholders	Percentage of Total Unitholders (%)	Units for the range	Percentage of Total Units (%)
1	1-5000	57,153	73.41	2,85,21,319	3.13
2	5001-10000	1,821	4.68	1,37,46,227	1.51
3	10001-20000	1,182	4.55	1,69,65,433	1.86
4	20001-30000	578	2.97	1,39,47,703	1.53
5	30001-40000	275	1.77	96,67,689	1.06
6	40001-50000	289	2.23	1,29,61,679	1.42
7	50001-100000	412	3.70	3,02,79,615	3.33
8	100001 and above	651	6.69	78,39,09,535	86.14
		62,361	100.00	90,99,99,200	100.00



b. Unitholding pattern as on March 31, 2023

Category	Category of Unit holder	No. of Units Held	As a % of Total Outstanding Units	No. of units mandatorily held		Number of units pledged or otherwise encumbered	
				No. of units	As a % of total units held	No. of units	As a % of total units held
(A)	Sponsor(s) / Investment Manager / Project Manager(s) and their associates/related parties						
(1)	Indian						
(a)	Individuals / HUF	-	0.00	-	0.00	-	0.00
(b)	Central/State Govt.	-	0.00	-	0.00	-	0.00
(c)	Financial Institutions/Banks	-	0.00	-	0.00	-	0.00
(d)	Any Other	-	0.00	-	0.00	-	0.00
	BODIES CORPORATES	13,65,00,100	15.00	13,65,00,100	100.00	-	0.00
	Sub- Total (A) (1)	13,65,00,100	15.00	13,65,00,100	100.00	-	0.00
(2)	Foreign						
(a)	Individuals (Non Resident Indians / Foreign Individuals)	-	0.00	-	0.00	-	0.00
(b)	Foreign government	-	0.00	-	0.00	-	0.00
(c)	Institutions	-	0.00	-	0.00	-	0.00
(d)	Foreign Portfolio Investors	-	0.00	-	0.00	-	0.00
(e)	Any Other (BODIES CORPORATES)	-	0.00	-	0.00	-	0.00
	Sub- Total (A) (2)	-	0.00	-	0.00	-	0.00
	Total unit holding of Sponsor & Sponsor Group (A) = (A)(1)+(A)(2)	13,65,00,100	15.00	13,65,00,100	100.00	-	0.00
(B)	Public Holding						
(1)	Institutions						
(a)	Mutual Funds	5,31,70,305	5.84				
(b)	Financial Institutions/ Banks	9,80,000	0.11				
(c)	Central/State Govt.	0	0.00				
(d)	Venture Capital Funds	0	0.00				
(e)	Insurance Companies	8,99,56,096	9.89				
(f)	Provident/pension funds	6,72,52,724	7.39				
(g)	Foreign Portfolio Investors	20,14,77,647	22.14				
(h)	Foreign Venture Capital investors	0	0.00				
(i)	Any Other (specify)						
	BODIES CORPORATES	1,63,38,345	1.79				
	ALTERNATIVE INVESTMENT FUND	47,96,741	0.53				
	Sub- Total (B) (1)	43,39,71,858	47.69				
(2)	Non-Institutions						
(a)	Central Government/State Governments(s)/President of India	0	0.00				
(b)	Individuals	21,91,79,171	24.09				
(c)	NBFCs registered with RBI	5,02,400	0.05				
(d)	Any Other (specify)						
	TRUSTS	8,76,360	0.10				
	NON RESIDENT INDIANS	93,72,225	1.03				
	CLEARING MEMBERS	75,514	0.01				
	BODIES CORPORATES	10,95,21,572	12.03				
	Sub- Total (B) (2)	33,95,27,242	37.31				
	Total Public Unit holding (B) = (B)(1)+(B)(2)	77,34,99,100	85.00				
	Total Units Outstanding (C) = (A) + (B)	90,99,99,200	100.00				



9. Depositories

The name and addresses of the Depositories are as under:

National Securities Depository Limited: Trade World, A Wing, 4th Floor, Kamala Mills Compound, Senapathi Bapat Marg, Lower Parel, Mumbai – 400 013, Maharashtra.

Central Depository Services (India) Limited: Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai - 400 013, Maharashtra.

10. Name and Designation of Compliance Officer

Ms. Anjana Luthra
Company Secretary & Compliance Officer
Plot No. 2, Sector - 29, Gurgaon - 122 001, Haryana
Tel: +91 124 282 3177
E-mail: investors@pginvit.in
Website: www.pginvit.in

11. Statutory Auditors

M/s. S.K. Mittal & Co. Chartered Accountants
Firm Registration Number: 001135N

12. Valuer

M/s. INMACS Valuers Private Limited, registered as a Valuer with Insolvency and Bankruptcy Board of India in accordance with applicable laws.
Registration number: IBBI/RV-E/02/2021/141.

13. Address for Correspondence including Investors Grievances

Principal Place of Business and Contact Details of the Trust

POWERGRID Infrastructure Investment Trust
SEBI Reg. No.- IN/InvIT/20-21/0016
Plot No. 2, Sector 29, Gurgaon - 122 001, Haryana
Company Secretary & Compliance Officer:
Ms. Anjana Luthra
Tel: +91 124 282 3177
E-mail: investors@pginvit.in
Website: www.pginvit.in

Registered Office and Contact Details of the Investment Manager

POWERGRID Unchahar Transmission Limited
CIN: U65100DL2012GOI246341
B-9, Qutab Institutional Area,
Katwaria Sarai, New Delhi – 110016
Contact Person: Ms. Anjana Luthra
Tel: +91 124 282 3177
E-mail: investors@putl.in
Website: www.putl.in

Registered Office and Contact Details of Registrar & Transfer Agent

KFin Technologies Limited
Selenium, Tower B, Plot No- 31 & 32, Financial District,
Nanakramguda, Serilingampally Hyderabad Rangareddy,
Telangana - 500032, India.
Tel: +91 040-67162222
E-mail: powergrid.invit@kfintech.com

Investor Grievance

E-mail: investors@pginvit.in
einward.ris@kfintech.com



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Financial Statements

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Standalone Financial Statements

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Consolidated Financial Statements



Independent Auditors' Report

To,
 The Unit Holders of POWERGRID Infrastructure Investment Trust ("PGInvIT")

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of POWERGRID Infrastructure Investment Trust ("the Trust"/"PGInvIT"), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss including the Other Comprehensive Income, the statement of change in Unit Holders' equity, the Statement of Cash Flows for the year then ended, the Statement of Net Assets at fair value as at 31 March 2023, the Statement of Total Returns at fair value, the Statement of Net Distributable cash Flows ('NDCFs') for the year then ended and notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder in the manner so required and give a true and fair view in conformity with Indian Accounting Standards (Ind AS) and/or any addendum thereto as defined in the Rule 2(1)(a) of the Companies (Indian Accounting

Standards) Rule, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Trust as at 31 March 2023, its profit and total comprehensive income, change in unit holders' equity Trust and its cash flows for the year ended 31 March 2023, its net assets at fair value as at 31 March 2023, its total returns at fair value and the net distributable cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) issued by Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our other ethical responsibilities in accordance with the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No	Key Audit Matters	How our audit addressed the key audit matter
1	<p>Assessing Impairment of investments in subsidiaries</p> <p>As at 31 March 2023, the carrying value of Trust's investment in subsidiaries amounted to ₹ 29,778.25 million.</p> <p>Management reviews regularly whether there are any indicators of impairment of such investments by reference to the requirements under Ind AS. Management performs its impairment assessment by comparing the carrying value of these investments made to their recoverable amount to determine whether impairment needs to be recognized.</p> <p>For impairment testing, value in use has been determined by forecasting and discounting future cash flows of subsidiaries. Further, the value in use is highly sensitive to changes in critical variable used for forecasting the future cash flows including discounting rates. The determination of the recoverable amount from subsidiaries involves significant judgment and accordingly, the evaluation of impairment of investments in subsidiaries has been determined as a key audit matter.</p>	<p>In making the assessment of the recoverable amount, we relied on the valuation report issued by the independent valuer appointed by the Investment Manager in accordance with SEBI InvIT Regulations.</p>



S. No	Key Audit Matters	How our audit addressed the key audit matter
2	<p>Computation and disclosures as prescribed in the InvIT regulations relating to Statement of Net Assets at Fair Value and Total Returns at Fair Value</p> <p>As per the provisions of InvIT Regulations, the Trust is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value which requires fair valuation of assets. For this purpose, fair value is determined by forecasting and discounting future cash flows. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates etc.</p> <p>Accordingly, the aforementioned computation and disclosures are determined to be a key audit matter in our audit of the standalone financial statements.</p>	<p>Our audit procedures include the following:</p> <ul style="list-style-type: none"> Read the requirements of SEBI InvIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value. Reviewed and verified the disclosures in the standalone financial statements for compliance with the relevant requirements of InvIT Regulations. Relied on the valuation report issued by the independent valuer appointed by the Investment Manager in accordance with SEBI InvIT Regulations.
3	<p>Related party transactions and disclosures</p> <p>The Trust has undertaken transactions with its related parties in the normal course of business. These include providing loans to SPVs, interest on such loans, fees for services provided by related parties to Trust etc. as disclosed in Note no. 25 of the standalone financial statements.</p> <p>We identified the accuracy and completeness of related party transactions and its disclosure as set out in respective notes to the standalone financial statements as a key audit matter due to the significance of transactions with related parties during the year ended 31 March 2023 and regulatory compliance thereon</p>	<p>Our audit procedures, included the following:</p> <ul style="list-style-type: none"> Obtained, read and assessed the Trust's policies, processes and procedures in respect of identifying related parties, evaluating of arm's length, obtaining necessary approvals, recording and disclosure of related party transactions, including compliance of transactions and disclosures in accordance with InvIT regulations. We tested, on a sample basis, related party transactions with the underlying contracts and other supporting documents for appropriate authorization and approval for such transactions. We read minutes of Board and its relevant committee meetings in connection with transactions with related parties affected during the year and Trust's assessment of related party transactions being in the ordinary course of business at arm's length and in accordance with the InvIT regulations. Assessed and tested the disclosures made in accordance with the requirements of Ind AS and InvIT regulations.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The management of POWERGRID Unchahar Transmission Limited ("Investment Manager") is responsible for the preparation of the other information. The other information comprises the information that may be included in the Management Discussion and Analysis, Investment Manger's report including Annexures to Investment Manager's Report and Investment Manager's Information, but does not include the standalone financial statements and our auditor's report thereon. The other information as identified above is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read those documents including annexures, if any thereon, if we conclude that there is a material misstatement therein, we shall communicate the matter to those charged with the governance.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Management of POWERGRID Unchahar Transmission Limited ('Investment Manager'), is responsible for the



preparation of these standalone financial statements that give a true and fair view of the financial position as at 31 March 2023, financial performance including other comprehensive income, movement of the unit holders' equity and cash flows for the year ended 31 March 2023, its net assets at fair value as at 31 March 2023, its total returns at fair value and the net distributable cash flows of the Trust for the year ended 31 March 2023, in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1) (a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended read with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder (together referred to as the "InvIT Regulations"). Responsibility also includes maintenance of adequate accounting records in accordance with the provisions of InvIT Regulations for safeguarding of the assets of the Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Trust's ability to continue as going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Investment Manager is also responsible for overseeing the Trust's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient

and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosure in the financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Based on our audit and as required by InvIT Regulations, we report that:

- a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of

Changes in Unit Holder's Equity and the Statement of Cash Flow dealt with by this report are in agreement with the books of account of the Trust; and

- c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1) (a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Trust.

For **S.K. Mittal & Co.**
Chartered Accountants
FRN: 001135N

Place: New Delhi
UDIN: 23099387BGWDJX9399
Dated: May 25, 2023

(CA Gaurav Mittal)
Partner
Membership No.: 099387



Standalone Balance Sheet

as at 31 March 2023

₹ in million

Particulars	Note No	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Financial Assets			
Investments	3	29,778.25	42,541.01
Loans	4	51,197.84	52,382.84
Other non-current assets	5	2.64	-
		80,978.73	94,923.85
Current assets			
Financial Assets			
Cash and cash equivalents	6	2,911.23	2,804.46
Bank balances other than Cash and cash equivalents	7	123.14	1.74
Other current financial assets	8	1.66	3.06
		3,036.03	2,809.26
Total Assets		84,014.76	97,733.11
EQUITY AND LIABILITIES			
Equity			
Unit capital	9	90,999.92	90,999.92
Other Equity	10	(12,707.63)	973.34
		78,292.29	91,973.26
Liabilities			
Non-current Liabilities			
Financial Liabilities			
Borrowings	11	5,692.00	5,720.28
Other Non-current financial liabilities	12	-	0.05
		5,692.00	5,720.33
Current liabilities			
Financial Liabilities			
Borrowings	13	28.78	28.78
Trade payables			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises.		-	-
Other current financial liabilities	14	1.48	8.15
Other current liabilities	15	0.21	0.99
Provisions	16	-	1.49
Current Tax Liabilities (Net)	17	-	0.11
		30.47	39.52
Total Equity and Liabilities		84,014.76	97,733.11

The accompanying notes (1 to 35) form an integral part of financial statements.

As per our report of even date

For S.K.Mittal & Co.

Chartered Accountants
FRN: 001135N

For and on behalf of Board of Directors of POWERGRID Unchahar Transmission Limited in the capacity as Investment Manager to POWERGRID Infrastructure Investment Trust.

Anjana Luthra
Company Secretary
PAN: ABYPL2312H
Place: Gurugram

Abhay Choudhary
Chairman
DIN: 07388432
Place: Gurugram

Purshottam Agarwal
Director
DIN: 08812158
Place: Gurugram

(CA Gaurav Mittal)

Membership Number: 099387
Place: New Delhi

Sanjay Sharma
CEO
PAN: AENPS3382J
Place: Gurugram

Amit Garg
CFO
PAN: ACSPG1833F
Place: Gurugram

Date: 25 May 2023



Standalone Statement of Profit and Loss

for the year ended 31 March 2023

₹ in million

Particulars	Note No	For the Year ended on 31 March 2023	For the Year ended on 31 March 2022
INCOME			
Revenue From Operations	18	10,490.36	9,731.30
Other Income	19	57.00	26.30
Total Income		10,547.36	9,757.60
EXPENSES			
Valuation Expenses		0.19	0.12
Payment to Auditor			
- Statutory Audit Fees		0.12	0.12
- Other Services (Including Tax Audit & Certifications)		0.11	0.07
Investment manager fees		93.08	111.57
Trustee fee		0.35	0.35
Other expenses	20	13.04	2.96
Finance costs	21	414.33	0.91
Impairment of Investment in Subsidiaries		12,762.76	1,831.93
Total Expenses		13,283.98	1,948.03
Profit for the period before tax		(2,736.62)	7,809.57
Tax Expense:			
Current Tax - Current Year		24.36	11.24
- Earlier Years		-	-
Deferred Tax		-	-
		24.36	11.24
Profit for the period after tax		(2,760.98)	7,798.33
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the period		(2,760.98)	7,798.33
Earnings Per Unit			
Basic (In Rupees)		(3.03)	9.56
Diluted (In Rupees)		(3.03)	9.56

The accompanying notes (1 to 35) form an integral part of financial statements.

As per our report of even date

For S.K.Mittal & Co.

Chartered Accountants
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PAN: ACSPG1833F
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Date: 25 May 2023



Standalone Statement of Changes in Unitholders' Equity

for the year ended 31 March 2023

A. UNIT CAPITAL	₹ in million
Balance as at 01 April 2022	90,999.92
Units issued during the year	-
Balance as at 31 March 2023	90,999.92
Balance as at 01 April 2021	-
Units issued during the year	90,999.92
Balance as at 31 March 2022	90,999.92

B. OTHER EQUITY	₹ in million
Retained Earnings	
Balance as at 01 April 2022	973.34
Profit for the year	(2,760.98)
Distribution during the year*^	(10,919.99)
Balance as at 31 March 2023	(12,707.63)
Balance as at 01 April 2021	-
Profit for the year	7,798.33
Distribution during the year^^	(6,824.99)
Balance as at 31 March 2022	973.34

The accompanying notes (1 to 35) form an integral part of financial statements.

* The distributions made by Trust to its Unitholders are based on the Net Distributable Cash flows (NDCF) of PGInvIT under the InvIT Regulations which includes repayment of debt by SPVs to PGInvIT.

^ The distribution for year ended 31 March 2023 does not include the distribution relating to the quarter ended 31 March 2023, as the same will be paid subsequently.

^^ The distribution for year ended 31 March 2022 does not include the distribution relating to the quarter ended 31 March 2022, as the same was paid subsequent to the year ended 31 March 2022.

As per our report of even date

For S.K.Mittal & Co.

Chartered Accountants
FRN: 001135N

For and on behalf of Board of Directors of POWERGRID Unchahar Transmission Limited in the capacity as Investment Manager to POWERGRID Infrastructure Investment Trust.

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Place: Gurugram

Amit Garg
CFO
PAN: ACSPG1833F
Place: Gurugram

Date: 25 May 2023



Standalone Statement of Cash Flows

for the year ended 31 March 2023

₹ in million

Particulars	For the Year ended on 31 March 2023	For the Year ended on 31 March 2022
A. Cash flows from operating activities		
Profit before tax	(2,736.62)	7,809.57
Adjustments for:		
Impairment of investment in subsidiary	12,762.76	1,831.93
Interest income on loans given to subsidiaries	(7,545.27)	(6,408.37)
Finance cost	414.33	0.91
Interest income on fixed deposits	(46.35)	(21.31)
Dividend received from subsidiaries	(2,945.09)	(3,322.93)
Operating Profit/ (loss) before changes in Assets and Liabilities	(96.24)	(110.20)
Adjustment for changes in Assets and Liabilities:		
- (Increase)/Decrease in Other current financial assets	2.38	(4.12)
- (Increase)/Decrease in Bank balances other than Cash and cash equivalents	(121.40)	-
- Increase/(Decrease) in Other current financial liabilities	(6.67)	1.36
- Increase/(Decrease) in Other current liabilities	(0.78)	0.99
- Increase/(Decrease) in Provisions	(1.49)	1.49
- Increase/(Decrease) in Other non-current financial liabilities	(0.05)	0.05
Cash generated from operations	(224.25)	(110.43)
Direct taxes paid (net of refunds)	(27.11)	(11.13)
Net cash flow used in operating activities	(251.36)	(121.56)
B. Cash flows from investing activities		
Purchase of equity shares of subsidiary	-	(3,307.85)
Loans given to subsidiaries	-	(52,382.84)
Repayment of Loans given to subsidiaries	1,185.00	-
Interest income on loans given to subsidiaries	7,545.27	6,408.37
Interest income on fixed deposits	45.37	20.63
Dividend received from subsidiaries	2,945.09	3,322.93
Net cash flow used from investing activities	11,720.73	(45,938.76)
C. Cash flow from financing activities		
Proceeds from issue of unit capital	-	49,934.83
Proceeds from borrowings	-	5,755.85
Repayment of borrowings	(28.78)	-
Payment of interest on long term borrowings	(413.83)	(0.91)
Payment of distribution on unit capital	(10,919.99)	(6,824.99)
Net cash flow used in financing activities	(11,362.60)	48,864.78
Net increase in cash and cash equivalents (A + B + C)	106.77	2,804.46
Cash and cash equivalents as at beginning of year	2,804.46	-
Cash and cash equivalents as at year end	2,911.23	2,804.46

CORPORATE OVERVIEW

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Components of Cash and cash equivalents:

₹ in million

Balances with banks	As at 31 March 2023	As at 31 March 2022
On current accounts	0.52	0.97
Deposit with original maturity of 3 months or less	2,910.71	2,803.49
Total cash and cash equivalents	2,911.23	2,804.46

The accompanying notes (1 to 35) form an integral part of financial statements.



Standalone Statement of Cash Flows

for the year ended 31 March 2023

Reconciliation between opening and closing balances for liabilities arising from financing activities (including current maturities) :

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Long term borrowings		
Balance at the beginning of the year	5,749.06	-
Cash flow		
- Interest	(413.83)	(0.91)
- Proceeds/(repayments)	(28.78)	5,755.85
Accrual	414.33	(5.88)
Balance at the end of the year	5,720.78	5,749.06

As per our report of even date

For S.K.Mittal & Co.

Chartered Accountants
FRN: 001135N

(CA Gaurav Mittal)

Membership Number: 099387
Place: New Delhi

Date: 25 May 2023

For and on behalf of Board of Directors of POWERGRID Unchahar Transmission Limited in the capacity as Investment Manager to POWERGRID Infrastructure Investment Trust.

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Company Secretary
PAN: ABYPL2312H
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Director
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CEO
PAN: AENPS3382J
Place: Gurugram

Amit Garg

CFO
PAN: ACSPG1833F
Place: Gurugram



Standalone Statement of Net Assets at Fair Value

as at 31 March 2023

A. STATEMENT OF NET ASSETS AT FAIR VALUE

₹ in million

Sl. No.	Particulars	As at 31 March 2023		As at 31 March 2022	
		Book value	Fair value*	Book value	Fair value*
A	Assets	84,014.76	84,014.76	97,733.11	97,733.11
B	Liabilities (at book value)	5,722.47	5,722.47	5,759.85	5,759.85
C	Net Assets (A-B)	78,292.29	78,292.29	91,973.26	91,973.26
D	Number of units	910.00	910.00	910.00	910.00
E	NAV (C/D)	86.04	86.04	101.07	101.07

*Fair value of the assets as disclosed in the above tables are derived based on the fair valuation report issued by the independent valuer appointed under SEBI (Infrastructure Investment Trusts) Regulations, 2014.

The Trust holds investment in SPVs in the form of equity and debt and SPVs in turn hold the projects. Hence, the breakup of property wise fair values has been disclosed in the Consolidated financial statements.

B. STATEMENT OF TOTAL RETURNS AT FAIR VALUE

₹ in million

Particulars	As at	As at
	31 March 2023	31 March 2022
Total Comprehensive Income (As per the Statement of Profit and Loss)#	(2,760.98)	7,798.33
Add/(less): Other Changes in Fair Value (e.g., in investment property, property, plant & equipment (if cost model is followed)) not recognized in Total Comprehensive Income	-	-
Total Return	(2,760.98)	7,798.33

#Total comprehensive income as per Profit & Loss statement captures the impact of fair valuation through impairment of Investment in subsidiaries. Same is based on the fair valuation report of the independent valuer appointed under SEBI (Infrastructure Investment Trusts) Regulations, 2014.



Additional Disclosures as required by paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016

A) STATEMENT OF NET DISTRIBUTABLE CASH FLOWS (NDCFS) OF PGINVIT

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flows received from Portfolio Assets in the form of interest/accrued interest/ additional interest	7,545.27	6,408.37
Add: Cash flows received from Portfolio Assets in the form of dividend	2,945.09	3,322.93
Add: Cash flows/ Proceeds from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by the Trust	1,185.00	-
Add: Cash Flow / Proceeds from the Portfolio Assets for a capital reduction by way of a buy back or any other means as permitted, subject to applicable law	-	-
Add: Cash Flow / Proceeds from the sale of the Portfolio Assets not distributed pursuant to an earlier plan to reinvest, or if such proceeds are not intended to be invested subsequently	-	-
Less: Costs/retentions associated with sale of the Portfolio Assets	-	-
(a) Related debts settled or due to be settled from sale proceeds of Portfolio Assets		
(b) Transaction costs paid on sale of the assets of the Portfolio Assets; and		
(c) Capital gains taxes on sale of assets/shares in Portfolio Assets/other investments		
Add: Any other income accruing at the Trust level and not captured above, including but not limited to interest/return on surplus cash invested by the Trust	57.00	26.30
Total cash inflow at the InvIT level (A)	11,732.36	9,757.60
Less: Any payment of fees, interest and expenses incurred at the Trust level, including but not limited to the fees of the Investment Manager, Trustee, Auditor, Valuer, Credit Rating Agency	(527.65)	(114.37)
Less: Reimbursement of expenses in relation to the Initial Public Issue of units of the Trust, if any	-	-
Less: Repayment of external debt (principal), net of any debt raised by refinancing of existing debt or/and any new debt raised	(28.78)	-
Less: Net cash set aside to comply with DSRA under loan agreements, if any.	(122.68)	-
Less: Income tax (if applicable) at the standalone Trust level and payment of other statutory dues	(27.11)	(11.13)
Less: Proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	-	-
Less: Any provision or reserve deemed necessary by the Investment Manager for expenses which may be due in the intervening period till next proposed distribution, but for which there may not be commensurate amounts available by the date such expenses become due.	-	-
Add: Net proceeds from fresh issuance of units by the Trust		
Add/Less: Any other adjustment to be undertaken by the IM Board to ensure that there is no double counting of the same item for the above calculations	0.62	(2.65)
Total cash outflow/retention at the InvIT level (B)	(705.60)	(128.15)
Net Distributable Cash Flows (C) = (A+B)	11,026.76	9,629.45



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

1. TRUST INFORMATION

POWERGRID Infrastructure Investment Trust ("PGInvIT"/"Trust") was set up on 14 September 2020 as an irrevocable trust, pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882. The Trust was registered with SEBI on 7 January 2021 as an infrastructure investment trust under Regulation 3(1) of the InvIT Regulations having registration number IN/InvIT/20-21/0016.

Power Grid Corporation of India Limited ("POWERGRID") is the Sponsor to the Trust. IDBI Trusteeship Services Limited is the Trustee to the Trust. POWERGRID Unchahar Transmission Limited ("PUTL") is appointed as the investment manager and POWERGRID is appointed as the project manager to the Trust.

The investment objectives of the Trust are to carry on the activities of and to make investments as an infrastructure investment trust as permissible in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines, notifications and amendments issued thereunder (collectively the "InvIT Regulations"), and in accordance with the Trust Deed. The investment of the Trust shall be in any manner permissible under, and in accordance with the InvIT Regulations and applicable law including in holding companies and/or special purpose vehicles and/or infrastructure projects and/or securities in India.

PGInvIT is holding special purpose vehicle ("SPV") / subsidiaries which are infrastructure projects engaged in the power transmission business in India. Details of the same as on March 31, 2023 are as follows:

Name of the SPV	Equity Holding
1. Vizag Transmission Limited ("VTL") (formerly POWERGRID Vizag Transmission Limited ("PVTL"))	100%
2. POWERGRID Kala Amb Transmission Limited ("PKATL")	74%
3. POWERGRID Parli Transmission Limited ("PPTL")	74%
4. POWERGRID Warora Transmission Limited ("PWTL")	74%
5. POWERGRID Jabalpur Transmission Limited ("PJTL")	74%

The standalone financial statements for the year ended March 31, 2023, were approved by the Board of Directors of Investment manager on May 25, 2023.

2. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

2.1 Basis for Preparation

i) Compliance with Ind AS and InvIT Regulations

These financial statements are the separate financial statements of the Trust and comprise of the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Unitholders' Equity for the year then ended and the Statement of Net Assets at fair value as at March 31, 2023 and the Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCFs') for the year then ended and a summary of significant accounting policies and other explanatory notes prepared in compliance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and InvIT Regulations, in each case, to the extent applicable and as amended thereafter

ii) Basis of Measurement

The financial statements have been prepared on accrual basis and under the historical cost convention except certain financial assets and liabilities measured at fair value (Refer Note no. 2.7 for accounting policy regarding financial instruments) which have been measured at fair value.

iii) Functional and presentation currency

The financial statements are presented in Indian Rupees (Rupees or ₹), which is the Trust's functional and presentation currency and all amounts are rounded to the nearest million and two decimals thereof, except as stated otherwise.

iv) Use of estimates

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although, such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates. The estimates and underlying assumptions



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (Refer Note no. 23 on critical accounting estimates, assumptions and judgments).

v) Current and non-current classification

The Trust presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

The Trust recognizes twelve months period as its operating cycle.

2.2 Fair value measurement

The Trust measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Trust.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Trust uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Trust determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In estimating the fair value of investments in subsidiaries, the Trust engages independent qualified external valuers to perform the valuation. The management works closely with the external valuers to establish the appropriate valuation techniques and inputs to the model.



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

The management in conjunction with the external valuers also compares the change in fair value with relevant external sources to determine whether the change is reasonable. The management reports the valuation report and findings to the Board of the Investment Manager half yearly to explain the cause of fluctuations in the fair value of the projects.

At each reporting date, the management analyses the movement in the values of assets and liabilities which are required to be remeasured or reassessed as per the Trust's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation based upon relevant documents.

For the purpose of fair value disclosures, the Trust has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy (Note 24)
- Disclosures for valuation methods, significant estimates and assumptions (Note 23 and Note 24)
- Financial instruments (including those carried at amortised cost) (Note 3,4,8)

2.3 Borrowing Cost

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized (net of income on temporary deployment of funds) as part of the cost of such assets till the assets are ready for the intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use.

All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs includes interest expenses, other costs in connection with borrowing of fund and exchange differences to the extent regarded as an adjustment to borrowing costs.

2.4 Impairment of non-financial asset

The carrying amounts of the Trust's non-financial assets are reviewed at least annually to determine whether there is any indication of impairment considering the provisions

of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.5 Cash and cash equivalents

Cash and cash equivalents include cash on hand and at bank, and deposits held at call with banks having a maturity of three months or less from the date of acquisition that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2.6 Leases

Lease is a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Trust assesses whether: (i) the contract involves use of an identified asset, (ii) the customer has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the customer has the right to direct the use of the asset.



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

i) As a Lessee

At the date of commencement of the lease, the Trust recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and leases for which the underlying asset is of low value. For these short-term and leases for which the underlying asset is of low value, the trust recognizes the lease payments on straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The trust applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in the accounting policy 2.4 on "Impairment of non-financial assets".

The lease liability is initially measured at present value of the lease payments that are not paid at that date.

The interest cost on lease liability is expensed in the Statement of Profit and Loss, unless eligible for capitalization as per accounting policy 2.3 on "Borrowing costs".

Lease liability and ROU asset have been separately presented in the financial statements and lease payments have been classified as financing cash flows.

ii) As a Lessor

A lease is classified at the inception date as a finance lease or an operating lease.

a) Finance leases

A lease that transfers substantially all the risks and rewards incidental to ownership of an asset is classified as a finance lease.

Net investment in leased assets is recorded at the lower of the fair value of the leased property and the present value of the minimum lease payments as Lease Receivables under current and non-current other financial assets.

The interest element of lease is accounted in the Statement of Profit and Loss over the lease period based on a pattern reflecting a constant periodic rate of return on the net investment.

b) Operating leases

An operating lease is a lease other than a finance lease. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

For operating leases, the asset is capitalized as property, plant and equipment and depreciated over its economic life. Rental income from operating lease is recognized over the term of the arrangement.

2.7 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

The Trust classifies its financial assets in the following categories:

- at amortised cost,
- at fair value through other comprehensive income

The classification depends on the following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs, if any, that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

Debt Instruments at Amortised cost: Assets that are held for collection of contractual cash flows where those cash



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Debt Instruments at Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest income from these financial assets is included in finance income using the effective interest rate method.

Equity investments

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The trust may, on initial recognition, make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (FVOCI) on an instrument by-instrument basis.

For equity instruments classified as at FVOCI, all fair value changes on the instrument, excluding dividends are recognized in the OCI. There is no recycling of the amounts from OCI to Profit or Loss, even on sale of investment. However, the Trust may transfer the cumulative gain or loss within equity.

Derecognition of financial assets

A financial asset is derecognized only when

- i) The right to receive cash flows from the asset have expired, or
- ii)
 - a) The trust has transferred the rights to receive cash flows from the financial asset (or) retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients and
 - b) the trust has transferred substantially all the risks and rewards of the asset (or) the trust has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the amount of consideration received/receivable is recognised in the Statement of Profit and Loss.

Impairment of financial assets:

For trade receivables and unbilled revenue, the trust applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For recognition of impairment loss on other financial assets and risk exposure, the trust determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month Expected Credit Loss (ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Financial Liabilities

Financial liabilities of the Trust are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Trust.

The Trust's financial liabilities include loans & borrowings, trade and other payables.

Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate (EIR). Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR. Gains and losses are recognised in



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Statement of Profit and Loss when the liabilities are derecognised.

The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other income or finance cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.8 Investment in subsidiaries

The Trust accounts for its investments in subsidiaries at cost less accumulated impairment losses (if any) in its separate financial statements. The cost comprises price paid to acquire investment and directly attributable cost.

Investments accounted for at cost are accounted for in accordance with Ind AS 105, 'Non-current Assets Held for Sale and Discontinued Operations', when they are classified as held for sale.

2.9 Foreign Currencies Translation

The Trust's financial statements are presented in INR, which is its functional currency. The Trust does not have any foreign operation.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Trust at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated with reference to the rates of exchange ruling on the date of the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.10 Income Tax

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In this case the tax is also recognised directly in equity or in other comprehensive income.

Current income tax

The Current Tax is based on taxable profit for the year under the tax laws enacted and applicable to the reporting period in the countries where the trust operates and generates taxable income and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the trust's financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet method. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

2.11 Revenue

Interest income

For all debt/debt instruments measured at amortised cost, interest income is recorded using the effective interest rate



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

(EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Trust estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Income from dividend on investments is accrued in the year in which it is declared, whereby the Trust's right to receive is established.

2.12 Cash distributions to unitholders

The Trust recognises a liability to make cash distributions to unitholders when the distribution is authorised, and a legal obligation has been created. As per the InvIT Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

2.13 Provision and contingencies

Provisions

Provisions are recognised when the Trust has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimate.

Contingencies

Contingent liabilities are disclosed on the basis of judgment of the management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

2.14 Prior Period Items

Material prior period errors are corrected retrospectively by restating the comparative amounts for prior period presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

2.15 Earnings per unit

Basic earnings per unit is computed using the net profit or loss for the year attributable to the unitholders and weighted average number of shares outstanding during the year.

Diluted earnings per unit is computed using the net profit or loss for the year attributable to the unitholders and weighted average number of units and potential units outstanding during the year, except where the result would be anti-dilutive.

2.16 Statement of Cash Flows

Statement of Cash flows is prepared as per indirect method prescribed in the Ind AS 7 'Statement of Cash Flows'.



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

NOTE 3/ INVESTMENTS

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Investment in Equity Instruments (Fully paid up) at cost		
Unquoted		
Subsidiary Companies		
Vizag Transmission Limited		
20,97,30,000 Shares of ₹ 10 each.	14,453.20	14,869.21
Less: Impairment	3,361.29	416.01
	11,091.91	14,453.20
POWERGRID Kala Amb Transmission Limited		
4,51,40,000 Shares of ₹10 each.	1,985.20	2,022.92
Less: Impairment	471.89	37.72
	1,513.31	1,985.20
POWERGRID Parli Transmission Limited		
23,83,54,000 Shares of ₹ 10 each.	9,409.17	9,919.16
Less: Impairment	2,572.71	509.99
	6,836.46	9,409.17
POWERGRID Warora Transmission Limited		
29,10,42,000 Shares of ₹ 10 each.	9,748.17	10,327.52
Less: Impairment	3,449.68	579.35
	6,298.49	9,748.17
POWERGRID Jabalpur Transmission Limited		
16,79,13,400 Shares of ₹ 10 each.	6,945.27	7,234.13
Less: Impairment	2,907.19	288.86
	4,038.08	6,945.27
TOTAL	29,778.25	42,541.01

Further Notes:

Details of the subsidiaries are as follows:

Name of Subsidiary	Country of Incorporation	Ownership Interest % as on 31 March 2023	Ownership Interest % as on 31 March 2022
Vizag Transmission Limited	India	100%	100%
POWERGRID Kala Amb Transmission Limited	India	74%	74%
POWERGRID Parli Transmission Limited	India	74%	74%
POWERGRID Warora Transmission Limited	India	74%	74%
POWERGRID Jabalpur Transmission Limited	India	74%	74%

POWERGRID Infrastructure Investment Trust (the "Trust") has paid the consideration for acquisition of 74% equity share capital of Vizag Transmission Limited ('VTL'), POWERGRID Kala Amb Transmission Limited ('PKATL'), POWERGRID Parli Transmission Limited ('PPTL'), POWERGRID Warora Transmission Limited ('PWTL') and POWERGRID Jabalpur Transmission Limited ('PJTL') from Power Grid Corporation of India Limited on 13 May 2021 pursuant to separate share purchase agreements.

Remaining 26% equity share capital of VTL was acquired by the Trust on 31 March 2022 as per share purchase agreement dated 22 April 2021 and now trust hold 100% equity share of VTL.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

NOTE 4/ LOANS

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, Considered good		
Loans to Related Parties		
Loans to Subsidiaries*	51,197.84	52,382.84
TOTAL	51,197.84	52,382.84

Further Notes:

* Details of loans to related parties is provided in Note 25.

*Loans are non-derivative financial assets which are repayable by subsidiaries upon expiry of period of their respective Transmission Services Agreement. Further, the subsidiaries are entitled to prepay all or any portion of the outstanding principal with a prior notice. The loans to subsidiaries carry fixed interest rate of 14.50% p.a.

NOTE 5/ OTHER NON-CURRENT ASSETS

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Advance Tax and Tax Deducted at Source	38.24	11.13
Less: Tax Liabilities (Refer Note 17)	(35.60)	(11.13)
TOTAL	2.64	-

NOTE 6/ CASH AND CASH EQUIVALENTS

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Balance with banks-		
- In Current accounts	0.52	0.97
- In term deposits (with maturity of 3 months or less)	2,910.71	2,803.49
Total	2,911.23	2,804.46

Further Notes:

Balance in current account does not earn interest. Surplus money is transferred into Term Deposits.

NOTE 7/ BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Earmarked balance with banks (For Distribution Payments)*	0.46	1.74
In Term Deposits having maturity over 3 months but upto 12 months (DSRA)	122.68	-
TOTAL	123.14	1.74

Further Notes:

*Earmarked balance with banks pertains to unclaimed distribution to unitholders.



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

NOTE 8/ OTHER CURRENT FINANCIAL ASSETS

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, Considered good		
Interest accrued on term deposits	1.66	0.68
Others	-	2.38
Total	1.66	3.06

NOTE 9/ UNIT CAPITAL

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Unit Capital		
Issued, subscribed and paid up		
909,999,200 units (Issue Price of ₹ 100 Each)	90,999.92	90,999.92
Total	90,999.92	90,999.92

Further Notes:

Terms/rights attached to Units

The Trust has only one class of units. Each Unit represents an undivided beneficial interest in the Trust. Each holder of unit is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in every six months in each financial year in accordance with the InvIT Regulations.

A Unitholder has no equitable or proprietary interest in the projects of PGIInvIT and is not entitled to any share in the transfer of the projects (or any part thereof) or any interest in the projects (or any part thereof) of PGIInvIT. A Unitholder's right is limited to the right to require due administration of PGIInvIT in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

Reconciliation of the number of units outstanding and the amount of unit capital:

Particulars	No. of Units	₹ in million
As on 01 April 2021	-	-
Issued during the year*	909,999,200	90,999.92
As on 31 March 2022	909,999,200	90,999.92
As on 01 April 2022	909,999,200	90,999.92
Issued during the year	-	-
As on 31 March 2023	909,999,200	90,999.92

*During the previous year the Trust has issued 909,999,200 units at the rate of ₹ 100.00 per unit. Out of which, Fresh issue comprised of 499,348,300 no. of units and 410,650,900 no. of units allotted to the Sponsor. In compliance with InvIT Regulations, Sponsor retained 136,500,100 no. of units and made an Offer for Sale for 274,150,800 no. of units.

Details of Sponsor holding:

Particulars	No. of Units	₹ in million
Power Grid Corporation of India Limited (Sponsor)	136,500,100	15.00%

Unitholders holding more than 5 (five) percent units in the Trust:

Name of Unitholder	31 March 2023		31 March 2022	
	Nos. in million	% holding	Nos. in million	% holding
POWER GRID CORPORATION OF INDIA LIMITED (SPONSOR)	136.50	15.00%	136.50	15.00%
CPP INVESTMENT BOARD PRIVATE HOLDINGS 4 INC	91.84	10.09%	91.84	10.09%
NPS TRUST	65.12	7.16%	63.59	6.99%
CAPITAL INCOME BUILDER	59.15	6.50%	59.15	6.50%
HDFC TRUSTEE COMPANY LTD	46.17	5.07%	46.59	5.12%

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

NOTE 10/ OTHER EQUITY

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Retained Earnings		
Balance at the beginning of the year	973.34	-
Net Profit for the year	(2,760.98)	7,798.33
Distribution during the year	(10,919.99)	(6,824.99)
Balance at the end of the year	(12,707.63)	973.34

Retained earnings

Retained earnings are the profits earned till date, less any transfers to reserves and distributions paid to unitholders.

NOTE 11/ BORROWINGS

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Secured Indian Rupee Loan from Banks		
Term loan from HDFC BANK LTD	5,727.07	5,755.85
Less: Current maturities	28.78	28.78
	5,698.29	5,727.07
Less: Unamortised transaction cost	6.29	6.79
TOTAL	5,692.00	5,720.28

Further Notes:

The term loan is secured by (i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realized from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs; (ii) First pari-passu charge on Escrow account of the Trust and (iii) First and exclusive charge on Debt Service Reserve Account.

The term loan from bank was raised at the interest rate of 3 months T-Bill rate plus spread of 194 basis point and repayable in 64 quarterly installments of varying amounts commencing from 30 June 2022. The spread has been revised to 160 basis points w.e.f. 9th January 2023.

There have been no breaches in the financial covenants with respect to borrowings.

There has been no default in repayment of loans or payment of interest thereon as at the end of the year.

NOTE 12/ OTHER NON-CURRENT FINANCIAL LIABILITIES

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Deposit/Retention money from contractors and others	-	0.05
TOTAL	-	0.05

NOTE 13/ BORROWINGS

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Secured Indian Rupee Loan from Banks		
Current maturities of Term loan from HDFC Bank Ltd.	28.78	28.78
TOTAL	28.78	28.78

Refer Note no.11 for Borrowings.



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

NOTE 14/ OTHER CURRENT FINANCIAL LIABILITIES

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Unclaimed Distribution	0.46	1.74
Deposit/Retention money from contractors and others	0.05	-
Others	0.97	6.41
TOTAL	1.48	8.15

NOTE 15/ OTHER CURRENT LIABILITIES

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory Dues	0.21	0.99
TOTAL	0.21	0.99

NOTE 16/ PROVISIONS

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Provisions		
As per last balance sheet	1.49	-
Additions during the year	-	1.49
Adjustments during the year	(1.49)	-
Closing Balance	-	1.49

NOTE 17/ CURRENT TAX LIABILITIES (NET)

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Taxation (Including interest on tax)		
As per last balance sheet	11.24	-
Additions during the year	24.36	11.24
Amount adjusted during the year	-	-
Total	35.60	11.24
Net off against Advance tax and TDS (Note 5)	(35.60)	(11.13)
TOTAL	-	0.11

NOTE 18/ REVENUE FROM OPERATIONS

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Operating Revenue		
Interest Income on Loans given to Subsidiaries	7,545.27	6,408.37
Dividend Income from Subsidiaries	2,945.09	3,322.93
TOTAL	10,490.36	9,731.30

Further Notes:

i) Disclosure with regard to Transactions with related parties is given in Note 25.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

NOTE 19/ OTHER INCOME

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Other Income		
Interest on Fixed Deposits	46.35	21.31
Miscellaneous Income	10.65	4.99
TOTAL	57.00	26.30

NOTE 20/ OTHER EXPENSES

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Legal Expenses	1.90	0.97
RTA Fee	0.52	0.43
Professional Charges	2.26	0.88
Rating Fee	2.06	0.59
Listing Fee	4.72	-
Custodial Fee	0.46	-
Annual Meeting Expenses	0.38	-
Other Expenses	0.74	0.09
TOTAL	13.04	2.96

NOTE 21/ FINANCE COST

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest and finance charges on financial liabilities at amortised cost		
Interest on Secured Indian Rupee Term Loan from Banks	413.83	0.91
Amortization of Upfront fee	0.50	-
TOTAL	414.33	0.91

22. EARNINGS PER UNIT (EPU)

Basic EPU amounts are calculated by dividing the profit for the year attributable to unitholders by the weighted average number of units outstanding during the year.

Diluted EPU amounts are calculated by dividing the profit attributable to unitholders by the weighted average number of units outstanding during the period plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

The following reflects the profit and unit data used in the basic and diluted EPU computation:

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit after tax for calculating basic and diluted EPU (₹ in million)	(2,760.98)	7,798.33
Weighted average number of units in calculating basic and diluted EPU (No. in million)	910.00	815.90
Earnings Per Unit		
Basic (₹ /unit)	(3.03)	9.56
Diluted (₹ /unit)	(3.03)	9.56



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

23. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Trust's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgement

In the process of applying the Trust's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements.

a) Classification of Unitholders' Funds

Under the provisions of the InvIT Regulations, PGInvIT is required to distribute to unitholders not less than ninety percent of the net distributable cash flows of PGInvIT for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its unitholders cash distributions. The unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 – 'Financial Instruments: Presentation'. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016 dated 29 November 2016) issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20 October 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unitholders is recognized as liability when the same is approved by the Investment Manager.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities or fair value disclosures within the next financial year, are described below. The Trust based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Trust. Such changes are reflected in the assumptions when they occur.

a) Fair Valuation and disclosure

SEBI Circulars issued under the InvIT Regulations require disclosures relating to net assets at fair value and total returns at fair value. In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuer, as mandated under InvIT Regulations, to perform the valuation. The management works closely with the valuers to establish the appropriate valuation techniques and inputs for valuation. The management reports the valuation report and findings to the Board of the Investment Manager half yearly to explain the cause of fluctuations in the fair value of the projects. The inputs for the valuation are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc. Changes in assumptions about these factors could affect the fair value.

b) Impairment of Investment in Subsidiaries

The provision for impairment/(reversal of impairment) of investments in subsidiaries is made based on the difference between the carrying amounts and the recoverable amounts. The recoverable amount of the investments in subsidiaries has been computed by external independent valuation experts based on value in use calculation for the underlying projects (based on discounted cash flow model). On a periodic basis, according to the recoverable amounts of individual portfolio assets computed by the valuation experts, the Trust tests impairment on the amounts invested in the respective subsidiary companies.

c) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

d) Income Taxes:

Significant estimates are involved in determining the provision for current and deferred tax, including amount expected to be paid/recovered for uncertain tax positions.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

24. FAIR VALUE MEASUREMENTS

The management has assessed that the financial assets and financial liabilities as at year end are reasonable approximations of their fair values.

The Trust is required to present the statement of total assets at fair value and statement of total returns at fair value as per SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 as a part of these financial statements- Refer Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.

The inputs to the valuation models for computation of fair value of assets for the above mentioned statements

are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc.

The significant unobservable inputs used in the fair value measurement required for disclosures categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2023 and 31 March 2022 are as shown below:

Significant unobservable input	Input for 31 March 2023	Sensitivity of input to the fair value	Increase/(Decrease) in fair value 31 March 2023
WACC	9.01%	9.50%	(2,768.30)
		8.50%	3,134.54

₹ in million

Significant unobservable input	Input for 31 March 2022	Sensitivity of input to the fair value	Increase/(Decrease) in fair value 31 March 2022
WACC	7.70% to 8.00%	+0.50%	(3,687.89)
		-0.50%	4,114.31

Quantitative disclosures fair value measurement hierarchy for assets :

₹ in million

Particulars	Date of valuation	Level 1	Level 2	Level 3	Total
Assets for which fair values are disclosed: Investment in subsidiaries (Including loan to subsidiaries)	31 March 2023	-	-	80,976.09	80,976.09
	31 March 2022	-	-	94,923.85	94,923.85

There have been no transfers among Level 1, Level 2 and Level 3.

25. RELATED PARTY DISCLOSURES

(A) Disclosure as per Ind AS 24 - "Related Party Disclosures"

(i) Subsidiaries

Name of entity	Place of business/ country of incorporation	Proportion of Ownership Interest as at 31 March 2023
Vizag Transmission Limited	India	100%*
POWERGRID Kala Amb Transmission Limited	India	74%
POWERGRID Parli Transmission Limited	India	74%
POWERGRID Warora Transmission Limited	India	74%
POWERGRID Jabalpur Transmission Limited	India	74%

*26% stake acquired on 31 March 2022



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

(ii) Other related parties

Name of entity	Place of business/country of incorporation	Relationship with Trust
Power Grid Corporation of India Limited	India	Sponsor and Project Manager / Entity with significant influence

(B) Disclosure as per Regulation 2(1) (zv) of the InvIT Regulations

(i) Parties to Trust

Name of entity	Place of business/country of incorporation	Relationship with Trust
Power Grid Corporation of India Limited	India	Sponsor and Project Manager
POWERGRID Unchahar Transmission Limited	India	Investment Manager
IDBI Trusteeship Services Limited	India	Trustee

(i) Parties to Trust

Name of entity	Promoter
Power Grid Corporation of India Limited	Government of India
POWERGRID Unchahar Transmission Limited	Power Grid Corporation of India Limited
IDBI Trusteeship Services Limited	IDBI Bank Limited Life Insurance Corporation of India General Insurance Corporation of India

(iii) Directors of the parties to Trust specified in (i) above

a) Directors of Power Grid Corporation of India Limited:

- Shri K. Sreekant
- Shri Vinod Kumar Singh
- Shri Abhay Choudhary
- Shri Ravindra Kumar Tyagi (Appointed as Director w.e.f. 12.08.2022)
- Shri G. Ravisankar (Appointed as Director w.e.f. 21.09.2022)
- Shri Dilip Nigam (Appointed as Director w.e.f. 06.06.2022)
- Shri Mohammad Afzal (Appointed as Director w.e.f. 11.10.2022)
- Shri Chetan Bansilal Kankariya
- Shri Korachara Nagappa Onkarappa
- Shri Ram Naresh Tiwari
- Shri Madhav Rajendran Raghuraj (Appointed as Director w.e.f. 05.08.2022 and Ceased to be Director w.e.f. 11.10.2022)

b) Directors of POWERGRID Unchahar Transmission Limited

- Smt. Seema Gupta (Ceased to be Director w.e.f. 31.05.2022)
- Shri Abhay Choudhary (Appointed as Director w.e.f. 01.06.2022)
- Shri A K Singhal (Ceased to be Director w.e.f. 31.03.2023)
- Shri Korachara Nagappa Onkarappa
- Shri Ram Naresh Tiwari
- Shri Purshottam Agarwal (Appointed as Director w.e.f. 01.04.2023)

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

c) Key Managerial Personnel of POWERGRID Unchahar Transmission Limited

Shri Sanjay sharma (CEO) (Appointed as CEO w.e.f. 02.03.2023)
 Shri Purshottam Agarwal (CEO) (Ceased to be CEO w.e.f. 02.03.2023)
 Shri Amit Garg (CFO)
 Smt. Anjana Luthra (Company Secretary)

d) Directors of IDBI Trusteeship services Limited

Shri J. Samuel Joseph
 Shri Pradeep Kumar Jain
 Smt. Jayashree Ranade
 Smt. Madhuri J. Kulkarni (Ceased to be Director w.e.f. 06.12.2022)
 Smt. Padma V. Betai (Ceased to be Director w.e.f. 31.12.2022)
 Shri Pradeep Kumar Malhotra (Appointed as Director w.e.f. 14.12.2022)
 Ms. Baljinder Kaur Mandal (Appointed as Director w.e.f. 17.01.2023)

(C) Related Party Transactions

(i) The outstanding balances of related parties are as follows:

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Loans given to subsidiaries (Unsecured)		
Vizag Transmission Limited	7,839.88	7,839.88
POWERGRID Kala Amb Transmission Limited	1,860.00	1,860.00
POWERGRID Parli Transmission Limited	13,272.94	13,567.94
POWERGRID Warora Transmission Limited	15,987.07	16,172.07
POWERGRID Jabalpur Transmission Limited	12,237.95	12,942.95
TOTAL	51,197.84	52,382.84

(ii) The transactions with related parties during the period are as follows:

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Income - Interest on loans to subsidiaries		
Vizag Transmission Limited	1,136.78	1,005.98
POWERGRID Kala Amb Transmission Limited	269.70	238.67
POWERGRID Parli Transmission Limited	1,962.94	1,668.96
POWERGRID Warora Transmission Limited	2,343.17	1,976.36
POWERGRID Jabalpur Transmission Limited	1,832.68	1,518.40
Total	7,545.27	6,408.37
Income - Dividend received from subsidiaries		
Vizag Transmission Limited	1,270.96	1,005.70
POWERGRID Kala Amb Transmission Limited	189.59	234.73
POWERGRID Parli Transmission Limited	560.14	803.25
POWERGRID Warora Transmission Limited	605.36	765.44
POWERGRID Jabalpur Transmission Limited	319.04	513.81
Total	2,945.09	3,322.93



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Loans to Subsidiaries		
Vizag Transmission Limited	-	7,839.88
POWERGRID Kala Amb Transmission Limited	-	1,860.00
POWERGRID Parli Transmission Limited	-	13,567.94
POWERGRID Warora Transmission Limited	-	16,172.07
POWERGRID Jabalpur Transmission Limited	-	12,942.95
Total	-	52,382.84
Repayment of Loan by Subsidiaries		
POWERGRID Parli Transmission Limited	295.00	-
POWERGRID Warora Transmission Limited	185.00	-
POWERGRID Jabalpur Transmission Limited	705.00	-
Total	1,185.00	-
Payment of Investment Manager fee (Including Taxes)		
POWERGRID Unchahar Transmission Limited (Investment Manager)	93.08	111.57
Payment of Trustee fee (Including Taxes)		
IDBI Trusteeship Services Limited (Trustee)	0.35	0.35
Purchase of Equity Shares of VTL		
Power Grid Corporation of India Limited	-	14,869.21
Purchase of Equity Shares of PKATL		
Power Grid Corporation of India Limited	-	2,022.92
Purchase of Equity Shares of PJTL		
Power Grid Corporation of India Limited	-	7,234.13
Purchase of Equity Shares of PWTL		
Power Grid Corporation of India Limited	-	10,327.52
Purchase of Equity Shares of PPTL		
Power Grid Corporation of India Limited	-	9,919.16
Issue of Unit Capital		
Power Grid Corporation of India Limited	-	41,065.09
Distribution Paid		
Power Grid Corporation of India Limited	1,638.00	1,023.75

Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.4(b)(iv) of Section A of Annexure A to SEBI Circular dated 20 October 2016 are as follows:

(A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):

The Trust has not made any acquisition during the current Financial Year ended 31 March 2023. However, during the Financial Year ended 31 March 2022, the Trust has acquired 74% equity share capital of POWERGRID Kala Amb Transmission Limited ('PKATL'), POWERGRID Parli Transmission Limited ('PPTL'), POWERGRID Warora Transmission Limited ('PWTL') and POWERGRID Jabalpur Transmission Limited ('PJTL') and 100% equity share capital of Vizag Transmission Limited ('VTL'), from Power Grid Corporation of India Limited.



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

The Trust has paid the consideration for acquisition of 74% equity share capital of VTL, PKATL, PPTL, PWTL and PJTL from Power Grid Corporation of India Limited on 13 May 2021 pursuant to separate share purchase agreements. Summary of the valuation report dated 26 February 2021 issued by the independent valuer appointed under the InvIT Regulations, expressing opinion on the fair valuation of the specified SPVs as of 31 December 2020 is as follows:

SPV	WACC	Enterprise Value (₹ in million)	Equity Value (₹ in million)	No. of Shares	Value per share (₹)
VTL	7.80%	23,136.10	15,313.80	209,730,000	73.00
PKATL	7.60%	4,535.20	2,679.50	61,000,000	43.90
PPTL	7.70%	25,976.40	13,138.60	322,100,000	40.80
PWTL	7.70%	29,036.80	13,679.50	393,300,000	34.80
PJTL	7.60%	21,163.00	9,582.10	226,910,000	42.20

Further, in terms of the share purchase agreement, 26% equity share capital of VTL was acquired by PGInvIT on 31 March 2022. Summary of the valuation report dated 17 February 2022 issued by the independent valuer appointed under the InvIT Regulations, expressing opinion on the fair valuation of the VTL as of 31 January 2022 is as follows:

SPV	WACC	Enterprise Value (₹ in million)	Equity Value (₹ in million)	No. of Shares	Value per share (₹)
VTL	7.90%	21,876.20	14,568.00	209,730,000	69.50

(B) Material conditions or obligations in relation to the transactions:

Acquisition of Vizag Transmission Limited (VTL): Pursuant to the share purchase agreements dated 22 April 2021 ("SPA") (and amendments thereof) executed among Power Grid Corporation of India Limited, IDBI Trusteeship Services Limited, POWERGRID Unchahar Transmission Limited, and Vizag Transmission Limited, Trust acquired 74% equity stake in VTL.

Under the Agreement, the Trust agreed and undertook to purchase from POWERGRID and POWERGRID agreed and undertook to sell the balance 26% equity stake of VTL to the Trust.

No external financing was obtained for the above acquisition of 74% equity stake in VTL and the transaction was funded by issue of units of the Trust to POWERGRID.

No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of POWERGRID Kala Amb Transmission Limited (PKATL): Pursuant to the share purchase agreements dated 22 April 2021 ("SPA") executed among Power Grid Corporation of India Limited, IDBI Trusteeship Services Limited, POWERGRID Unchahar Transmission

Limited, and POWERGRID Kala Amb Transmission Limited, Trust acquired 74% equity stake in PKATL.

Under the Agreement, the Trust agreed and undertook to purchase from the POWERGRID and POWERGRID agreed and undertook to sell the balance 26% equity stake of PKATL to the Trust.

No external financing was obtained for the above acquisition of 74% equity stake in PKATL and the transaction was funded by issue of units of the Trust to POWERGRID.

No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of POWERGRID Parli Transmission Limited (PPTL): Pursuant to the share purchase agreements dated 22 April 2021 ("SPA") executed among Power Grid Corporation of India Limited, IDBI Trusteeship Services Limited, POWERGRID Unchahar Transmission Limited, and POWERGRID Parli Transmission Limited, Trust acquired 74% equity stake in PPTL.

Under the Agreement, the Trust agreed and undertook to purchase from POWERGRID and POWERGRID agreed and undertook to sell the balance 26% equity stake of PPTL to the Trust.



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

No external financing was obtained for the above acquisition of 74% equity stake in PPTL and the transaction was funded by issue of units of the Trust to POWERGRID.

No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of POWERGRID Warora Transmission Limited (PWTL): Pursuant to the share purchase agreements dated 22 April 2021 ("SPA") executed among Power Grid Corporation of India Limited, IDBI Trusteeship Services Limited, POWERGRID Unchahar Transmission Limited, and POWERGRID Warora Transmission Limited, Trust acquired 74% equity stake in PWTL.

Under the Agreement, the Trust agreed and undertook to purchase from POWERGRID and POWERGRID agreed and undertook to sell the balance 26% equity stake of PWTL to the Trust.

No external financing was obtained for the above acquisition of 74% equity stake in PWTL and the transaction was funded by issue of units of the Trust to POWERGRID.

No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of POWERGRID Jabalpur Transmission Limited (PJTL): Pursuant to the share purchase agreements dated 22 April 2021 ("SPA") executed among Power Grid Corporation of India Limited, IDBI Trusteeship Services Limited, POWERGRID Unchahar Transmission Limited, and POWERGRID Jabalpur Transmission Limited, Trust acquired 74% equity stake in PJTL.

Under the Agreement, the Trust agreed and undertook to purchase from POWERGRID and POWERGRID agreed and undertook to sell the balance 26% equity stake of PJTL to the Trust.

No external financing was obtained for the above acquisition of 74% equity stake in PJTL and the transaction was funded by issue of units of the Trust to POWERGRID.

No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of balance 26% equity stake in Vizag Transmission Limited (VTL): Pursuant to the share purchase agreements dated 22 April 2021 ("SPA") (and amendments thereof) executed among Power Grid

Corporation of India Limited, IDBI Trusteeship Services Limited, POWERGRID Unchahar Transmission Limited, and Vizag Transmission Limited, Trust acquired the balance 26% equity stake in VTL.

The above acquisition was financed through Rupee Term Loan from HDFC Bank Limited. Interest rate on term loan was 3 months T-Bill rate plus spread of 194 basis points. The spread has been revised to 160 basis points w.e.f. 9th January 2023.

No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

26. INVESTMENT MANAGER FEES

Pursuant to the Investment Management Agreement dated 18 December 2020, Investment Manager fees is aggregate of

- a. ₹ 72,500,000 per annum, in relation to the initial SPVs; and
- b. 0.10% of the aggregate Gross Block of all Holding Companies and SPVs acquired by the InvIT after the execution of this agreement.

Further, the management fee set out above shall be subject to escalation on an annual basis at the rate of 6.75% of the management fee for the previous year. Any applicable taxes, cess or charges, as the case may be, shall be in addition to the management fee.

During the period, Trust has not acquired any assets other than initial SPVs.

Investment Manager Fees during the Financial Year ended 31 March 2022 included ₹ 24.38 million for the period from 18 December 2020 to 31 March 2021.

27. CONTINGENT LIABILITY

The Trust has no contingent liability to be reported.

28. CAPITAL AND OTHER COMMITMENTS

The Trust has entered into separate Share Purchase agreements with POWERGRID for acquisition of balance 26% equity stake in each of the subsidiary i.e. PKATL, PPTL, PWTL and PJTL.

Other commitments related to services to be rendered / procurements made in the normal course of business are not disclosed to avoid excessive details.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

29. SEGMENT REPORTING

The Trust's activities comprise of owning and investing in transmission SPVs to generate cash flows for distribution to unitholders. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of Ind AS -108 have not separately been given.

30. FINANCIAL RISK MANAGEMENT

The Trust's principal financial liabilities comprises of borrowings denominated in Indian rupees, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Trust's investments and operations.

The Trust's principal financial assets include investments, loans, cash and cash equivalents and other financial assets that are generated from its operations.

The Trust's activities expose it to the following financial risks, namely,

- (A) Credit risk,
- (B) Liquidity risk,
- (C) Market risk.

The Investment Manager oversees the management of these risks.

This note presents information regarding the Trust's exposure, objectives and processes for measuring and managing these risks.

The management of financial risks by the Trust is summarized below: -

(A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Trust is exposed to credit risk from its investing activities including loans to subsidiaries, deposits with banks and other financial instruments. As at 31 March 2023, the credit risk is considered low since substantial transactions of the Trust are with its subsidiaries.

(B) Liquidity Risk

Liquidity risk management implies maintaining sufficient cash and marketable securities for meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Trust's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Trust requires funds for short term operational needs as well as for servicing of financial obligation under term loan. The Trust closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations.

Maturities of financial liabilities

The table below analyses the Trust's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amount disclosed in the table is the contractual undiscounted cash flows.

₹ in million

Contractual maturities of financial liabilities	Within a year	Between 1-5 years	Beyond 5 years	Total
As at 31 March 2023				
Borrowings (including interest outflows)	507.45	2,080.23	9,289.62	11,877.30
Other financial liabilities	1.48	-	-	1.48
Total	508.93	2,080.23	9,289.62	11,878.78
As at 31 March 2022				
Borrowings (including interest outflows)	359.12	1,475.51	8,492.87	10,327.50
Other financial liabilities	8.15	0.05	-	8.20
TOTAL	367.27	1,475.56	8,492.87	10,335.70



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

(C) MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk:

- (i) Currency risk
- (ii) Interest rate risk
- (iii) Equity price risk

(i) Currency risk

As on Reporting date the Trust does not have any exposure to currency risk in respect of foreign currency denominated loans and borrowings and procurement of goods and services.

(ii) Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Trust's exposure to the risk of changes in market interest rates relates primarily to the Trust's long-term debt obligations with floating interest rates.

The Trust's exposure to interest rate risk due to variable interest rate borrowings is as follows:

₹ in million

Particulars	Amount	Impact on profit / loss before tax for the year due to increase or decrease in interest rate by 50 basis points
As at 31 March 2023		
Term Loan from Bank	5,727.07	28.73
As at 31 March 2022		
Term Loan from Bank	5,755.85	0.09

(iii) Equity price risk

The Trust has investments in equity shares of subsidiaries. Future value of the investment in subsidiaries are subject to market price risk arising due to fluctuation in the market conditions. Reports on the fair value of investment in subsidiaries are submitted to the management on periodic basis.

At the reporting date, the exposure to equity investments in subsidiary at carrying value was ₹ 29,778.25 million. Sensitivity analyses of significant unobservable inputs used in the fair value measurement are disclosed in Note 24.

31. CAPITAL MANAGEMENT

Trust's objectives when managing capital are to

- maximize the unitholder value;
- safeguard its ability to continue as a going concern;
- maintain an optimal capital structure to reduce the cost of capital.

For the purpose of trust's capital management, unit capital includes issued unit capital and all other reserves attributable to the unitholders of the Trust. Trust manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, trust may adjust the distribution to unitholders (subject to the provisions of InvIT regulations which require distribution of at least 90% of the net distributable cash flows of the Trust to unitholders), return capital to unitholders or issue new units. The Trust monitors capital using a gearing ratio, which is the ratio of Net Debt to total Equity plus Net Debt. The Trust's policy is to keep the gearing ratio optimum. The Group includes within Net Debt, interest bearing loans and borrowings and current maturities of long term debt less cash and cash equivalents.

Notes

to the Standalone Financial Statements for the year ended March 31, 2023

The gearing ratio of the Trust was as follows:

Particulars	₹ in million	
	As at 31 March 2023	As at 31 March 2022
(a) Long term debt (₹ in million)	5,727.07	5,755.85
(b) Less: Cash and cash equivalents	2,911.23	2,804.46
(c) Net Debt (a-b)	2,815.84	2,951.39
(d) Total Equity (₹ in million)	78,292.30	91,973.26
(e) Total Equity plus net debt (₹ in million) (c+d)	81,108.14	94,924.65
(f) Gearing Ratio (c/e)	3.47%	3.11%

The Trust's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

Distributions

Particulars	₹ in million
Distributions made during the year ended 31.03.2023 of ₹ 12.00 per unit (Comprising Taxable Dividend – ₹ 2.37, Exempt Dividend – ₹ 1.01, Interest – ₹ 7.86, Repayment of SPV Debt – ₹ 0.73 and Treasury Income – ₹ 0.03)	10,919.99
Distributions made during the year ended 31.03.2022 of ₹ 7.50 per unit (Comprising Taxable Dividend – ₹ 1.68, Exempt Dividend – ₹ 0.80, Interest – ₹ 5.01 and Treasury Income – ₹ 0.01)	6,824.99

Distribution not recognized at the end of the reporting period:

In addition to above distribution, the Board of Directors of POWERGRID Unchahar Transmission Limited in its capacity as the Investment Manager to POWERGRID Infrastructure Investment Trust ("PGInvIT") on 25 May 2023 recommended distribution related to last quarter of FY 2022-23 of ₹ 3.00 per unit.

32. OTHER INFORMATION

- The Trust does not hold benami property and no proceeding has been initiated or pending against the Trust for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder as at the end of the financial year.
- The Trust does not have any transactions, balances, or relationship with struck off companies.
- The Trust was not declared as a wilful defaulter by any bank or financial Institution or other lender during the financial year.
- Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year	Variance (%)	Reason for variance >25%
(a) Current Ratio	Current Assets	Current Liabilities	99.64	71.08	40.18	Due to increase in Cash and Bank balances and reduction in other current financial liabilities.
(b) Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.07	0.06	16.67	-
(c) Debt Service Coverage Ratio	Profit for the period before tax + Depreciation and amortization expense + Finance costs + Impairment	Interest & Lease Payments + Principal Repayments	23.56	10,596.05	(99.78)	The loan was availed on 31 March 2022. Hence interest included in last year was for one day only.



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

Ratio	Numerator	Denominator	Current Year	Previous Year	Variance (%)	Reason for variance >25%
(d) Interest Service Coverage Ratio	Earnings before Interest, Depreciation, Impairment and Tax	Interest & Finance Charges net of amount transferred to expenditure during construction	25.20	10,596.05	(99.76)	The loan was availed on 31 March 2022. Hence interest included in last year was for one day only.
(e) Return on Equity Ratio	Profit for the period after tax	Average Shareholder's Equity	(0.03)	0.17	(117.65)	Due to higher Impairment of Investments in Subsidiaries
(f) Inventory turnover ratio	Revenue from Operations	Average Inventory	-	-	-	-
(g) Trade Receivables turnover ratio	Revenue from Operations	Average Trade Receivables (before deducting provision)	-	-	-	-
(h) Trade payables turnover ratio	Gross Other Expense (-) FERV, Provisions, Loss on disposal of PPE	Average Trade payables	-	-	-	-
(i) Net capital turnover ratio	Revenue from Operations	Current Assets – Current Liabilities	3.49	3.51	(0.57)	-
(j) Net profit ratio	Profit for the period after tax	Revenue from Operations	(0.26)	0.80	(132.50)	Due to higher Impairment of Investments in Subsidiaries
(k) Return on Capital employed	Earnings before interest and taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability	(0.03)	0.08	(137.50)	Due to higher Impairment of Investments in Subsidiaries
(l) Return on investment	Income from Investment + Capital Appreciation	Average Investments	NA	NA	NA	-

- e) The Trust has not received/advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) through Intermediaries during the financial year.
- f) The Trust does not have any transaction that was not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- g) The Trust has not traded or invested in Crypto currency or Virtual Currency during the financial year.

33. IMPACT OF COVID – 19

The Subsidiaries of the Trust are mainly engaged in the business of transmission of electricity and earns revenue pursuant to the long-term transmission service agreements (TSAs) with designated Inter-state customers. In addition, maintaining the availability of the assets in excess of 98% gives the subsidiaries the right to claim incentives under the respective TSAs.

There has been no material impact on the operations or profitability of the subsidiaries during the financial year due to the COVID-19 pandemic.

However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration. Trust will continue to monitor any material changes to future economic conditions.



Notes

to the Standalone Financial Statements for the year ended March 31, 2023

34. RECENT PRONOUNCEMENTS

On 31 March 2023, Ministry of Corporate Affairs (“MCA”) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2023 applicable from 01 April 2023. The Trust will assess and implement the amendments in the FY 2023-24, as applicable.

35. OTHER NOTES

- a) Figures have been rounded off to nearest rupees in million up to two decimals.
- b) Previous year figures have been regrouped/ rearranged wherever considered necessary.

As per our report of even date

For S.K.Mittal & Co.

Chartered Accountants
FRN: 001135N

(CA Gaurav Mittal)

Membership Number: 099387
Place: New Delhi

Date: 25 May 2023

For and on behalf of Board of Directors of POWERGRID Unchahar Transmission Limited in the capacity as Investment Manager to POWERGRID Infrastructure Investment Trust.

Anjana Luthra
Company Secretary
PAN: ABYPL2312H
Place: Gurugram

Abhay Choudhary
Chairman
DIN: 07388432
Place: Gurugram

Purshottam Agarwal
Director
DIN: 08812158
Place: Gurugram

Sanjay Sharma
CEO
PAN: AENPS3382J
Place: Gurugram

Amit Garg
CFO
PAN: ACSPG1833F
Place: Gurugram



Independent Auditors' Report

To,
 The Unit holders of POWERGRID Infrastructure Investment Trust
 ("PGInvIT")

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Consolidated Financial Statements of POWERGRID Infrastructure Investment Trust ("PGInvIT") (hereinafter referred to as "the Trust") and its subsidiaries (the Trust and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31 March 2023, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Changes in Unit Holders' Equity, the consolidated Statement of cash flows for the year then ended, the consolidated Statement of Net Assets at fair value as at 31 March 2023, the consolidated Statement of Total Returns at fair value, the Statement of Net Distributable Cash Flows ('NDCF's') of the Trust and each of its subsidiaries for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder, in the manner so required and give a true and fair view in conformity with Indian Accounting Standards (Ind AS)

and/or any addendum thereto as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, its consolidated profit and total comprehensive income, its consolidated movement of the unit holders' equity and its consolidated cash flows for the year ended 31 March 2023, its consolidated net assets at fair value as at 31 March 2023, its consolidated total returns at fair value and the net distributable cash flows of the Trust and each of its subsidiaries for the year ended 31 March 2023.

Basis of Opinion

We conducted our audit of consolidated financial statements in accordance with the Standards on Auditing (SAs) issued by Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No	Key Audit Matters	How our audit addressed the key audit matter
1	<p>Assessing Impairment of Goodwill, Property, Plant & Equipment (PPE) and Intangible Assets</p> <p>The Group records Goodwill, Property, Plant & Equipment (PPE) and Intangible Assets (IA) at a carrying value of ₹ Nil, ₹ 86,745.51 million and ₹ 3,990.44 million respectively as at 31st March 2023.</p> <p>Management reviews regularly whether there are any indicators of impairment of goodwill, PPE and IA by reference to the requirements under Ind AS.</p> <p>Goodwill, PPE and IA is tested for impairment by the Group using enterprise value of respective subsidiaries to which the goodwill PPE and IA relates to.</p> <p>Enterprise value calculation involves use of future cashflow projections, discounted to present value, terminal value and other variables and accordingly, the evaluation of impairment of goodwill, PPE and IA has been determined as a key audit matter.</p>	<p>In making the assessment of the Enterprise Value, we relied on the valuation report issued by the independent valuer appointed by the Investment Manager in accordance with SEBI InvIT Regulations.</p> <p>Impact of the same has been duly accounted for in the financial statement.</p>



S. No	Key Audit Matters	How our audit addressed the key audit matter
2	<p>Computation and disclosures as prescribed in the InvIT regulations relating to Statement of Net Assets and Total Returns at Fair Value</p> <p>As per the provisions of InvIT Regulations, the Trust is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value which requires fair valuation of assets. For this purpose, fair value is determined by forecasting and discounting future cash flows. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates etc.</p> <p>Accordingly, the aforementioned computation and disclosures are determined to be a key audit matter in our audit of the consolidated financial statements.</p>	<p>Our audit procedures include the following-</p> <ul style="list-style-type: none"> • Read the requirements of SEBI InvIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value. • Read/Assessed the disclosures in the consolidated financial statements for compliance with the relevant requirements of InvIT Regulations. • Relied on the valuation report issued by the independent valuer appointed by the Investment Manager in accordance with SEBI InvIT Regulations.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The management of POWERGRID Unchahar Transmission Limited ("Investment Manager") is responsible for the preparation of the other information. The other information comprises the information that may be included in the Management Discussion and Analysis, Investment Manger's report including Annexures to Investment Manager's Report and Investment Manager's Information, but does not include the consolidated financial statements and our auditor's report thereon. The other information as identified above is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read those documents including annexures, if any thereon, if we conclude that there is a material misstatement therein, we shall communicate the matter to those charged with the governance.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Management of POWERGRID Unchahar Transmission Limited ('Investment Manager'), is responsible for the preparation of these consolidated financial statements that give

a true and fair view of the consolidated financial position as at 31 March 2023, consolidated financial performance including other comprehensive income, consolidated movement of the unit holders' equity, the consolidated cash flows for the year ended 31 March 2023, its consolidated net assets at fair value as at 31 March 2023, its consolidated total returns at fair value of the Trust, the net distributable cash flows of the Trust and each of its subsidiaries in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended read with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder (together referred to as the "InvIT Regulations").

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the up and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the management of the Trust, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters



related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's

report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For companies included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Trust included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



OTHER MATTERS

We have audited the financial statements and other financial information of 2 out of 5 subsidiaries of PGIInvIT, i.e. PKATL and VTL. Further, we have carried out the Limited Review of the audit of other 3 subsidiaries, i.e. PPTL, PWTL and PJTL. On the Consolidated basis the financial statements reflect total assets of ₹ 68,734.72 million and net worth of ₹ 12,935.02 million as at 31 March 2023, total revenue from operation of ₹ 12,857.85 million and net cash outflows amounting to ₹ 380.49 million for the FY 2022-23 before giving effect to elimination of intra-group transactions. The financial statements and other financial information for PPTL, PWTL and PJTL have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of InvIT regulations, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors and Limited Review of audit carried out by us.

Our opinion above on the consolidated financial statements, and our reports on the Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors.

Report on Other Legal and Regulatory Requirements

Based on our audit and as required by InvIT Regulations, we report that;

- a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) The Consolidated Balance Sheet, and the Consolidated Statement of Profit and Loss including other comprehensive income dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements; and
- c) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1) (a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Trust

For **S.K. Mittal & Co.**
Chartered Accountants
FRN: 001135N

Place: New Delhi
UDIN: 23099387BGWDJZ8977
Dated: May 25, 2023

(CA Gaurav Mittal)
Partner
Membership No.: 099387



Consolidated Balance Sheet

as at 31 March 2023

₹ in million

Particulars	Note No	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	86,745.51	98,359.54
Capital work-in-progress	4	151.22	39.75
Goodwill on Acquisition	5	-	5,896.50
Other Intangible assets	6	3,990.44	4,664.66
Other non-current assets	7	624.52	467.09
		91,511.69	109,427.54
Current assets			
Inventories	8	308.15	308.28
Financial Assets			
Trade receivables	9	3,263.05	3,334.77
Cash and cash equivalents	10	4,994.87	5,268.59
Bank balances other than Cash and cash equivalents	11	123.14	1.74
Other current financial assets	12	32.01	39.81
Other current assets	13	199.75	160.94
		8,920.97	9,114.13
Total Assets		100,432.66	118,541.67
EQUITY AND LIABILITIES			
Equity			
Unit Capital	14	90,999.92	90,999.92
Other Equity	15	(13,935.03)	(1,063.66)
Non Controlling Interest		6,214.03	9,314.95
		83,278.92	99,251.21
Liabilities			
Non-current Liabilities			
Financial Liabilities			
Borrowings	16	5,692.00	5,720.28
Deferred tax liabilities (Net)	17	11,154.98	13,297.93
Other non current liabilities	18	-	0.05
		16,846.98	19,018.26
Current liabilities			
Financial Liabilities			
Borrowings	19	28.78	28.78
Trade payables			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises.	20	6.68	2.76
Other current financial liabilities	21	244.94	214.64
Other current liabilities	22	17.31	15.96
Provisions	23	9.05	9.95
Current Tax Liabilities (Net)	24	-	0.11
		306.76	272.20
Total Equity and Liabilities		100,432.66	118,541.67

The accompanying notes (1 to 53) form an integral part of financial statements.

As per our report of even date

For S.K.Mittal & Co.

Chartered Accountants

FRN: 001135N

For and on behalf of Board of Directors of POWERGRID Unchahar Transmission Limited in the capacity as Investment Manager to POWERGRID Infrastructure Investment Trust.

Anjana Luthra
 Company Secretary
 PAN: ABYPL2312H
 Place: Gurugram

Abhay Choudhary
 Chairman
 DIN: 07388432
 Place: Gurugram

Purshottam Agarwal
 Director
 DIN: 08812158
 Place: Gurugram

(CA Gaurav Mittal)

Membership Number: 099387

Place: New Delhi

Sanjay Sharma
 CEO
 PAN: AENPS3382J
 Place: Gurugram

Amit Garg
 CFO
 PAN: ACSPG1833F
 Place: Gurugram

Date: 25 May 2023



Consolidated Statement of Profit and Loss

for the year ended 31 March 2023

₹ in million

Particulars	Note No	For the Year ended on 31 March 2023	For the Year ended on 31 March 2022
INCOME			
Revenue From Operations	25	12,857.85	12,173.39
Other Income	26	295.06	260.74
Total Income		13,152.91	12,434.13
EXPENSES			
Valuation Expenses		0.19	0.12
Payment to Auditor			
- Statutory Audit Fees		0.50	0.43
- Other Services (Including Tax Audit & Certifications)		0.35	0.42
Insurance expenses		241.42	185.11
Project manager fees		44.94	38.52
Investment manager fees		93.08	111.57
Trustee fee		0.35	0.35
Repairs and maintenance of Transmission assets		300.05	272.55
Other expenses	27	196.95	168.38
Employee benefits expense	28	11.40	3.15
Finance costs	29	414.33	0.92
Depreciation and amortization expense	30	3,148.15	2,697.50
Impairment of Goodwill, Property Plant and Equipment and Intangible Assets		15,098.10	3,679.41
Total Expenses		19,549.81	7,158.43
Profit for the period before tax		(6,396.90)	5,275.70
Tax Expense:			
Current Tax - Current Year		210.15	245.96
- Earlier Years		-	-
Deferred Tax		(2,142.95)	396.60
		(1,932.80)	642.56
Profit for the period after tax		(4,464.10)	4,633.14
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
		-	-
Total Comprehensive Income for the period		(4,464.10)	4,633.14
Net Profit Attributable to:			
Owners of the Trust		(1,951.38)	5,068.42
Non- Controlling Interest		(2,512.72)	(435.28)
Total Comprehensive Income attributable to:			
Owners of the Trust		(1,951.38)	5,068.42
Non- Controlling Interest		(2,512.72)	(435.28)
Earnings per Unit			
Basic (in Rupees)		(2.14)	6.21
Diluted (in Rupees)		(2.14)	6.21

The accompanying notes (1 to 53) form an integral part of financial statements.

As per our report of even date

For S.K.Mittal & Co.

Chartered Accountants
FRN: 001135N

(CA Gaurav Mittal)

Membership Number: 099387
Place: New Delhi

Date: 25 May 2023

For and on behalf of Board of Directors of POWERGRID Unchahar Transmission Limited in the capacity as Investment Manager to POWERGRID Infrastructure Investment Trust.

Anjana Luthra
Company Secretary
PAN: ABYPL2312H
Place: Gurugram

Abhay Choudhary
Chairman
DIN: 07388432
Place: Gurugram

Purshottam Agarwal
Director
DIN: 08812158
Place: Gurugram

Sanjay Sharma
CEO
PAN: AENPS3382J
Place: Gurugram

Amit Garg
CFO
PAN: ACSPG1833F
Place: Gurugram



Consolidated Statement of Changes in Unitholders' Equity

for the year ended 31 March 2023

A. UNIT CAPITAL		₹ in million
Balance as at 01 April 2022		90,999.92
Units issued during the year		-
Balance as at 31 March 2023		90,999.92
Balance as at 01 April 2021		-
Units issued during the year		90,999.92
Balance as at 31 March 2022		90,999.92

B. OTHER EQUITY	Reserves and Surplus			Total
	Capital Reserve	Self Insurance Reserve	Retained Earnings	
Balance as at 01 April 2022	330.15	-	(1,393.81)	(1,063.66)
Total Comprehensive income for the year	-	-	(1,951.38)	(1,951.38)
Distribution during the year*^	-	-	(10,919.99)	(10,919.99)
Balance as at 31 March 2023	330.15	-	(14,265.18)	(13,935.03)
Balance as at 01 April 2021	-	-	-	-
Total Comprehensive income for the year	-	-	5,068.42	5,068.42
Distribution during the year^^	-	-	(6,824.99)	(6,824.99)
Transfer from Self Insurance Reserve	-	(0.60)	0.60	-
Transfer to Self Insurance Reserve	-	0.60	(0.60)	-
Other adjustment	-	-	362.76	362.76
Differential Amount of Non-controlling Acquisition	330.15	-	-	330.15
Balance as at 31 March 2022	330.15	-	(1,393.81)	(1,063.66)

The accompanying notes (1 to 53) form an integral part of financial statements.

* The distributions made by Trust to its Unitholders are based on the Net Distributable Cash flows (NDCF) of PGInvIT under the InvIT Regulations which includes repayment of debt by SPVs to PGInvIT.

^ The distribution for year ended 31 March 2023 does not include the distribution relating to the quarter ended 31 March 2023, as the same will be paid subsequently.

^^ The distribution for year ended 31 March 2022 does not include the distribution relating to the quarter ended 31 March 2022, as the same was paid subsequent to the year ended 31 March 2022.

As per our report of even date

For S.K.Mittal & Co.

Chartered Accountants
FRN: 001135N

For and on behalf of Board of Directors of POWERGRID Unchahar Transmission Limited in the capacity as Investment Manager to POWERGRID Infrastructure Investment Trust.

Anjana Luthra
Company Secretary
PAN: ABYPL2312H
Place: Gurugram

Abhay Choudhary
Chairman
DIN: 07388432
Place: Gurugram

Purshottam Agarwal
Director
DIN: 08812158
Place: Gurugram

(CA Gaurav Mittal)

Membership Number: 099387
Place: New Delhi

Sanjay Sharma
CEO
PAN: AENPS3382J
Place: Gurugram

Amit Garg
CFO
PAN: ACSPG1833F
Place: Gurugram

Date: 25 May 2023



Consolidated Statement of Cash Flows

as at 31 March 2023

₹ in million

Particulars	For the Year ended on 31 March 2023	For the Year ended on 31 March 2022
A. Cash flows from operating activities		
Profit before tax	(6,396.90)	5,275.70
Adjustments for:		
Impairment of Goodwill, Property Plant and Equipment and Intangible Assets	15,098.10	3,679.41
Interest income	(164.74)	(131.98)
Depreciation & Amortization Expenses	3,148.15	2,697.50
Finance Cost	414.33	0.92
Operating Profit/ (loss) before changes in Assets and Liabilities	12,098.94	11,521.55
Adjustment for Changes in Assets and Liabilities		
- Increase/(Decrease) in Trade Payables	3.92	(10.76)
- Increase/(Decrease) in Other current financial liabilities	30.30	(191.78)
- Increase/(Decrease) in Other Current Liabilities	1.35	(3.14)
- Increase/(Decrease) in Provisions	(0.90)	9.11
- Increase/(Decrease) in Other Non Current liabilities	(0.05)	0.05
- (Increase)/Decrease in Trade Receivables	71.72	726.09
- (Increase)/Decrease in Other Current Financial Assets	5.67	(322.09)
- (Increase)/Decrease in Inventories	0.13	1.65
- (Increase)/Decrease in Bank balances other than Cash and cash equivalents	(121.40)	-
- (Increase)/Decrease in Other Current Assets	(38.81)	25.07
- (Increase)/Decrease in Other Non Current Assets	0.03	-
Cash Generated from Operations	12,050.90	11,755.75
Direct taxes (Paid)/Refund	(370.39)	(276.86)
Income Tax refund received	2.67	159.15
Net cash from operating activities	11,683.18	11,638.04
B. Cash Flow from Investing Activities:		
Property Plant & Equipment and Capital Work in Progress	(172.97)	(43.04)
Acquisition of Non Controlling Interest*	-	(3,307.85)
Purchase of Intangible Asset**	-	(3,041.50)
Interest income received	166.87	99.88
Net cash used in investing activities	(6.10)	(6,292.51)
C. Cash Flow from Financing Activities:		
Proceeds from issue of unit capital	-	49,934.83
Proceeds from Borrowings	-	5,755.85
Repayment of Borrowings	(28.78)	(49,934.83)
Finance Cost Paid	(413.83)	(0.92)
Payment of Distribution to Unitholders	(10,919.99)	(6,824.99)
Dividend paid to Non Controlling Interest holder	(588.20)	(1,167.52)
Net cash used in financing activities	(11,950.80)	(2,237.58)
Net increase in cash and cash equivalents (A + B + C)	(273.72)	3,107.95
Cash and cash equivalents as at beginning of year	5,268.59	-
Cash and cash equivalents as on the Acquisition date	-	2,160.64
Cash and cash equivalents as at year end	4,994.87	5,268.59

*Acquisition of 26% equity stake of VTL on 31 March 2022.

**Acquisition of Rights to additional revenue due to Change in law for PPTL, PWTL and PJTL



Consolidated Statement of Cash Flows

as at 31 March 2023

Components of Cash and cash equivalents:

₹ in million

Balances with banks	As at 31 March 2023	As at 31 March 2022
On current accounts	112.04	57.69
Deposit with original maturity of 3 months or less	4,882.83	5,210.90
Total cash and cash equivalents	4,994.87	5,268.59

Reconciliation between opening and closing balances for liabilities arising from financing activities (including current maturities) :

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Long term borrowings		
Balance at the beginning of the year	5,749.06	-
Cash flow		
- Interest	(413.83)	(0.91)
- Proceeds/(repayments)	(28.78)	5,755.85
Accrual	414.33	(5.88)
Balance at the end of the year	5,720.78	5,749.06

The accompanying notes (1 to 53) form an integral part of financial statements.

As per our report of even date

For S.K.Mittal & Co.

Chartered Accountants
FRN: 001135N

(CA Gaurav Mittal)

Membership Number: 099387
Place: New Delhi

Date: 25 May 2023

For and on behalf of Board of Directors of POWERGRID Unchahar Transmission Limited in the capacity as Investment Manager to POWERGRID Infrastructure Investment Trust.

Anjana Luthra

Company Secretary
PAN: ABYPL2312H
Place: Gurugram

Abhay Choudhary

Chairman
DIN: 07388432
Place: Gurugram

Purshottam Agarwal

Director
DIN: 08812158
Place: Gurugram

Sanjay Sharma

CEO
PAN: AENPS3382J
Place: Gurugram

Amit Garg

CFO
PAN: ACSPG1833F
Place: Gurugram



Statement of Net Assets at Fair Value

as at 31 March 2023

A. STATEMENT OF NET ASSETS AT FAIR VALUE

₹ in million

Sl. No.	Particulars	As at 31 March 2023		As at 31 March 2022	
		Book value	Fair value*	Book value	Fair value*
A	Assets	100,432.66	102,011.50	118,541.67	121,132.41
B	Liabilities (at book value)	17,153.74	17,153.74	19,290.46	19,290.46
C	Net Assets (A-B)	83,278.92	84,857.76	99,251.21	101,841.95
D	Non Controlling Interest	6,214.03	6,565.47	9,314.95	9,868.69
E	Net Assets attributable to PGINVIT (C-D)	77,064.89	78,292.29	89,936.26	91,973.26
F	Number of units	910.00	910.00	910.00	910.00
G	NAV	84.69	86.04	98.83	101.07

*Fair value of the assets as disclosed in the above table has been derived based on the equity value as per the fair valuation report issued by the independent valuer appointed under SEBI (Infrastructure Investment Trusts) Regulations, 2014, book value of debt and book value of other assets and liabilities.

Project wise break up of Fair value of Assets:

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Vizag Transmission Limited	19,088.89	22,503.95
POWERGRID Kala Amb Transmission Limited	4,341.60	4,878.86
POWERGRID Parli Transmission Limited	24,031.44	27,575.46
POWERGRID Warora Transmission Limited	26,096.77	30,812.36
POWERGRID Jabalpur Transmission Limited	18,584.73	23,159.15
	92,143.43	108,929.78
Assets of PGINVIT	3,038.67	2,809.26
Add/(Less): Elimination and Other Adjustments*	6,829.40	9,393.37
Total Assets	102,011.50	121,132.41

*It includes eliminations primarily pertaining to inter group lending / borrowing and consolidation adjustments

B. STATEMENT OF TOTAL RETURNS AT FAIR VALUE

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Total Comprehensive Income (As per the Statement of Profit and Loss)#	(1,951.38)	5,068.42
Add/(less): Other Changes in Fair Value (e.g., in investment property, property, plant & equipment (if cost model is followed)) not recognized in Total Comprehensive Income	-	-
Total Return	(1,951.38)	5,068.42

#Total comprehensive income as per Profit & Loss statement captures the impact of fair valuation through impairment of Investment in subsidiaries. Same is based on the fair valuation report of the independent valuer appointed under SEBI (Infrastructure Investment Trusts) Regulations, 2014.



Additional Disclosures as required by paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016

A) STATEMENT OF NET DISTRIBUTABLE CASH FLOWS (NDCFS) OF PGINVIT

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flows received from Portfolio Assets in the form of interest/accrued interest/ additional interest	7,545.27	6,408.37
Add: Cash flows received from Portfolio Assets in the form of dividend	2,945.09	3,322.93
Add: Cash flows/ Proceeds from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by the Trust	1,185.00	-
Add: Cash Flow / Proceeds from the Portfolio Assets for a capital reduction by way of a buy back or any other means as permitted, subject to applicable law	-	-
Add: Cash Flow / Proceeds from the sale of the Portfolio Assets not distributed pursuant to an earlier plan to reinvest, or if such proceeds are not intended to be invested subsequently	-	-
Less: Costs/retentions associated with sale of the Portfolio Assets (a) Related debts settled or due to be settled from sale proceeds of Portfolio Assets (b) Transaction costs paid on sale of the assets of the Portfolio Assets; and (c) Capital gains taxes on sale of assets/shares in Portfolio Assets/other investments"	-	-
Add: Any other income accruing at the Trust level and not captured above, including but not limited to interest/return on surplus cash invested by the Trust	57.00	26.30
Total cash inflow at the Trust level (A)	11,732.36	9,757.60
Less: Any payment of fees, interest and expenses incurred at the Trust level, including but not limited to the fees of the Investment Manager, Trustee, Auditor, Valuer, Credit Rating Agency	(527.65)	(114.37)
Less: Reimbursement of expenses in relation to the Initial Public Issue of units of the Trust, if any	-	-
Less: Repayment of external debt (principal), net of any debt raised by refinancing of existing debt or/and any new debt raised	(28.78)	-
Less: Net cash set aside to comply with DSRA under loan agreements, if any.	(122.68)	-
Less: Income tax (if applicable) at the standalone Trust level and payment of other statutory dues	(27.11)	(11.13)
Less: Proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	-	-
Less: Any provision or reserve deemed necessary by the Investment Manager for expenses which may be due in the intervening period till next proposed distribution, but for which there may not be commensurate amounts available by the date such expenses become due.	-	-
Add: Net proceeds from fresh issuance of units by the Trust	-	-
Add/Less: Any other adjustment to be undertaken by the IM Board to ensure that there is no double counting of the same item for the above calculations	0.62	(2.65)
Total cash outflows / retention at Trust level (B)	(705.60)	(128.15)
Net Distributable Cash Flows (C) = (A+B)	11,026.76	9,629.45



Additional Disclosures as required by paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016

B) STATEMENT OF NET DISTRIBUTABLE CASH FLOWS (NDCFS) OF VTL

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit after tax as per profit and loss account (standalone) (A)	764.49	921.27
Add: Depreciation, impairment and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss.	317.03	227.94
Add: Interest on loans availed from Trust as per profit and loss account	1,136.78	1,005.99
Add: Interest on unpaid interest (on account of loans availed from Trust) as per profit and loss account	-	-
Add/Less: Decrease/Increase in working capital affecting the cash flow	21.36	27.33
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Net Proceeds (after applicable taxes) from sale of infrastructure assets adjusted for the following:	-	-
- related debts settled or due to be settled from sale proceeds;	-	-
- directly attributable transaction costs;	-	-
- proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Net Proceeds (after applicable taxes) from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently.	-	-
Less: Capital expenditure, if any	-	-
Less: Investments made in accordance with the investment objective, if any	-	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager, including but not limited to	-	-
- any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
- interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
- deferred tax, lease rents, etc.	(56.41)	(89.39)
Less: Any provision or reserve deemed necessary by the Investment Manager for expenses which may be due in the intervening period till next proposed distribution, but for which there may not be commensurate amounts available by the date such expenses become due	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. / net cash set aside to comply with borrowing requirements under agreements including DSRA, net of any debt raised by refinancing of existing debt or/and any new debt raised	-	-
Add/ less: Amounts added or retained to make the distributable cash flows in accordance with the Transaction Documents or the loan agreements	-	-
Add/Less: Any other adjustment to be undertaken by the board of directors of the Investment Manager (the "IM Board") to ensure that there is no double counting of the same item for the above calculation*	1.09	(100.60)
Total Adjustments (B)	1,419.85	1,071.27
Net Distributable Cash Flows (C)=(A+B)	2,184.34	1,992.54

Note: During the period, amount not less than 90% of NDCF has already been distributed to PGInvIT.

* Other adjustments are with respect to changes in other non-current assets/liabilities which are not part of Working Capital.



Additional Disclosures as required by paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016

C) STATEMENT OF NET DISTRIBUTABLE CASH FLOWS (NDCFS) OF PKATL

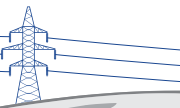
₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit after tax as per profit and loss account (standalone) (A)	142.72	135.50
Add: Depreciation, impairment and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss.	63.56	54.80
Add: Interest on loans availed from Trust as per profit and loss account	269.70	238.67
Add: Interest on unpaid interest (on account of loans availed from Trust) as per profit and loss account	-	-
Add/Less: Decrease/Increase in working capital affecting the cash flow	108.91	(65.17)
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Net Proceeds (after applicable taxes) from sale of infrastructure assets adjusted for the following:	-	-
- related debts settled or due to be settled from sale proceeds;	-	-
- directly attributable transaction costs;	-	-
- proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Net Proceeds (after applicable taxes) from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently.	-	-
Less: Capital expenditure, if any	(95.42)	(14.56)
Less: Investments made in accordance with the investment objective, if any	-	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager, including but not limited to	-	-
- any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
- interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
- deferred tax, lease rents, etc.	23.25	34.74
Less: Any provision or reserve deemed necessary by the Investment Manager for expenses which may be due in the intervening period till next proposed distribution, but for which there may not be commensurate amounts available by the date such expenses become due*	(29.60)	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. / net cash set aside to comply with borrowing requirements under agreements including DSRA, net of any debt raised by refinancing of existing debt or/and any new debt raised	-	-
Add/ less: Amounts added or retained to make the distributable cash flows in accordance with the Transaction Documents or the loan agreements	-	-
Add/Less: Any other adjustment to be undertaken by the board of directors of the Investment Manager (the "IM Board") to ensure that there is no double counting of the same item for the above calculation**	5.39	41.68
Total Adjustments (B)	345.79	290.16
Net Distributable Cash Flows (C)=(A+B)	488.51	425.66

Note: During the period, amount not less than 90% of NDCF has already been distributed to PGInvIT.

* Retention is for the purpose of funding the project awarded to PKATL under Regulated Tariff Mechanism

** Other adjustments are with respect to changes in other non-current assets/liabilities which are not part of Working Capital.



Additional Disclosures as required by paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016

D) STATEMENT OF NET DISTRIBUTABLE CASH FLOWS (NDCFS) OF PPTL

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit after tax as per profit and loss account (standalone) (A)	403.64	401.49
Add: Depreciation, impairment and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss.	370.62	310.88
Add: Interest on loans availed from Trust as per profit and loss account	1,962.94	1,668.96
Add: Interest on unpaid interest (on account of loans availed from Trust) as per profit and loss account	-	-
Add/Less: Decrease/Increase in working capital affecting the cash flow	(84.59)	225.72
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Net Proceeds (after applicable taxes) from sale of infrastructure assets adjusted for the following:	-	-
- related debts settled or due to be settled from sale proceeds;	-	-
- directly attributable transaction costs;	-	-
- proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Net Proceeds (after applicable taxes) from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently.	-	-
Less: Capital expenditure, if any	(5.44)	(600.13)
Less: Investments made in accordance with the investment objective, if any	-	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager, including but not limited to	-	-
- any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
- interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
- deferred tax, lease rents, etc.	142.64	164.54
Less: Any provision or reserve deemed necessary by the Investment Manager for expenses which may be due in the intervening period till next proposed distribution, but for which there may not be commensurate amounts available by the date such expenses become due	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. / net cash set aside to comply with borrowing requirements under agreements including DSRA, net of any debt raised by refinancing of existing debt or/and any new debt raised	-	-
Add/ less: Amounts added or retained to make the distributable cash flows in accordance with the Transaction Documents or the loan agreements	-	416.58
Add/Less: Any other adjustment to be undertaken by the board of directors of the Investment Manager (the "IM Board") to ensure that there is no double counting of the same item for the above calculation*	(46.29)	(2.47)
Total Adjustments (B)	2,339.88	2,184.08
Net Distributable Cash Flows (C)=(A+B)	2,743.52	2,585.57

Note: During the period, amount not less than 90% of NDCF has already been distributed to PGInvIT.

* Other adjustments are with respect to changes in other non-current assets/liabilities which are not part of Working Capital.



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to the Consolidated Financial Statements for the year ended March 31, 2023

E) STATEMENT OF NET DISTRIBUTABLE CASH FLOWS (NDCFS) OF PWTL

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit after tax as per profit and loss account (standalone) (A)	365.18	364.84
Add: Depreciation, impairment and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss.	452.09	375.99
Add: Interest on loans availed from Trust as per profit and loss account	2,343.17	1,976.36
Add: Interest on unpaid interest (on account of loans availed from Trust) as per profit and loss account	-	-
Add/Less: Decrease/Increase in working capital affecting the cash flow	(182.33)	281.85
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Net Proceeds (after applicable taxes) from sale of infrastructure assets adjusted for the following:	-	-
- related debts settled or due to be settled from sale proceeds;	-	-
- directly attributable transaction costs;	-	-
- proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Net Proceeds (after applicable taxes) from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently.	-	-
Less: Capital expenditure, if any	(27.15)	(844.39)
Less: Investments made in accordance with the investment objective, if any	-	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager, including but not limited to	-	-
- any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
- interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
- deferred tax, lease rents, etc.	129.70	154.48
Less: Any provision or reserve deemed necessary by the Investment Manager for expenses which may be due in the intervening period till next proposed distribution, but for which there may not be commensurate amounts available by the date such expenses become due	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. / net cash set aside to comply with borrowing requirements under agreements including DSRA, net of any debt raised by refinancing of existing debt or/and any new debt raised	-	-
Add/ less: Amounts added or retained to make the distributable cash flows in accordance with the Transaction Documents or the loan agreements	-	571.33
Add/Less: Any other adjustment to be undertaken by the board of directors of the Investment Manager (the "IM Board") to ensure that there is no double counting of the same item for the above calculation*	(31.93)	(2.11)
Total Adjustments (B)	2,683.55	2,513.51
Net Distributable Cash Flows (C)=(A+B)	3,048.73	2,878.35

Note: During the period, amount not less than 90% of NDCF has already been distributed to PGInvIT.

* Other adjustments are with respect to changes in other non-current assets/liabilities which are not part of Working Capital.



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to the Consolidated Financial Statements for the year ended March 31, 2023

F) STATEMENT OF NET DISTRIBUTABLE CASH FLOWS (NDCFS) OF PJTL

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit after tax as per profit and loss account (standalone) (A)	157.96	386.41
Add: Depreciation, impairment and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss.	323.41	263.37
Add: Interest on loans availed from Trust as per profit and loss account	1,832.68	1,518.40
Add: Interest on unpaid interest (on account of loans availed from Trust) as per profit and loss account	-	-
Add/Less: Decrease/Increase in working capital affecting the cash flow	203.66	(329.58)
Add/less: Loss/gain on sale of infrastructure assets	-	-
Add: Net Proceeds (after applicable taxes) from sale of infrastructure assets adjusted for the following:	-	-
- related debts settled or due to be settled from sale proceeds;	-	-
- directly attributable transaction costs;	-	-
- proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Net Proceeds (after applicable taxes) from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently.	-	-
Less: Capital expenditure, if any	-	(823.44)
Less: Investments made in accordance with the investment objective, if any	-	-
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager, including but not limited to	-	-
- any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
- interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-
- deferred tax, lease rents, etc.	57.70	156.17
Less: Any provision or reserve deemed necessary by the Investment Manager for expenses which may be due in the intervening period till next proposed distribution, but for which there may not be commensurate amounts available by the date such expenses become due	-	-
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. / net cash set aside to comply with borrowing requirements under agreements including DSRA, net of any debt raised by refinancing of existing debt or/and any new debt raised	-	-
Add/ less: Amounts added or retained to make the distributable cash flows in accordance with the Transaction Documents or the loan agreements	-	823.61
Add/Less: Any other adjustment to be undertaken by the board of directors of the Investment Manager (the "IM Board") to ensure that there is no double counting of the same item for the above calculation*	(42.51)	87.22
Total Adjustments (B)	2,374.94	1,695.75
Net Distributable Cash Flows (C)=(A+B)	2,532.90	2,082.16

Note: During the period, amount not less than 90% of NDCF has already been distributed to PGInvIT.

* Other adjustments are with respect to changes in other non-current assets/liabilities which are not part of Working Capital.



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to the Consolidated Financial Statements for the year ended March 31, 2023

1. GROUP INFORMATION:

POWERGRID Infrastructure Investment Trust ("PGInvIT"/"Trust") was set up on 14 September 2020 as an irrevocable trust, pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882. The Trust was registered with SEBI on 7 January 2021 as an infrastructure investment trust under Regulation 3(1) of the SEBI InvIT Regulations having registration number IN/InvIT/20-21/0016.

Power Grid Corporation of India Limited ("POWERGRID") is the Sponsor to the Trust. IDBI Trusteeship Services Limited is the Trustee to the Trust. POWERGRID Unchahar Transmission Limited ("PUTL") is appointed as the investment manager and POWERGRID is appointed as the project manager to the Trust.

The investment objectives of the Trust are to carry on the activities of and to make investments as an infrastructure investment trust as permissible in terms of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines, notifications and amendments issued thereunder (collectively the "InvIT Regulations") and in accordance with the Trust Deed. The investment of the Trust shall be in any manner permissible under, and in accordance with the InvIT Regulations and applicable law including in holding companies and/or special purpose vehicles and/or infrastructure projects and/or securities in India.

PGInvIT is holding special purpose vehicle ("SPV") / subsidiaries which are infrastructure projects engaged in the power transmission business in India. Details of the same as on 31 March 2023 are as follows:

Name of the SPV	Equity Holding
1. Vizag Transmission Limited ("VTL") (formerly POWERGRID Vizag Transmission Limited ("PVTL"))	100%
2. POWERGRID Kala Amb Transmission Limited ("PKATL")	74%
3. POWERGRID Parli Transmission Limited ("PPTL")	74%
4. POWERGRID Warora Transmission Limited ("PWTL")	74%
5. POWERGRID Jabalpur Transmission Limited ("PJTL")	74%

The consolidated financial statements, comprise of the financial statement of PGInvIT and its subsidiaries (collectively, "the Group") for the year ended 31 March 2023, were approved by the Board of Directors of Investment manager on 25 May 2023.

2. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the consolidated financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the consolidated financial statements. The Consolidated financial statements of the group are consisting of the Trust and its subsidiaries.

2.1 Basis of Preparation

i) Compliance with Ind AS and InvIT Regulations

The consolidated financial statements comprise of the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Unit Holders' Equity for the year then ended and the Consolidated Statement of Net Assets at fair value as at 31 March 2023 and the Consolidated Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCF's) of the Trust and each of its subsidiaries for the year then ended and a summary of significant accounting policies and other explanatory notes prepared in compliance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and InvIT Regulations, in each case, to the extent applicable and as amended thereafter.

ii) Basis of Measurement

The consolidated financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

Certain financial assets and liabilities measured at fair value (Refer Note no. 2.15 for accounting policy regarding financial instruments).

iii) Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (Rupees or ₹), which is the Group's functional and presentation currency and all amounts are rounded to the nearest million and two decimals thereof, except as stated otherwise.

iv) Use of estimates

The preparation of consolidated financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although, such



Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (Refer Note no. 32 on critical accounting estimates, assumptions and judgments).

v) Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

The Group recognizes twelve months period as its operating cycle.

2.2 Principles of Consolidation

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed

to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statement of the subsidiaries line by line adding together like items of assets, liabilities, equity, income, and expenses. Inter Group transactions, balances and unrealized gains on transactions between companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are harmonised to ensure consistency with the policies adopted by the Group.

The acquisition method of accounting is used to account for business combination by the group.

Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Trust.

The consolidated financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS) 110 – 'Consolidated Financial Statements'

2.3 Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are recognised in the statement of profit and loss as incurred.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date. Goodwill arising on business combination is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the fair value of net identifiable assets acquired and liabilities assumed. After initial recognition, Goodwill is tested for impairment annually and measured at cost less any accumulated impairment losses if any. Any impairment loss for goodwill is recognised in the statement of profit and loss.



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to the Consolidated Financial Statements for the year ended March 31, 2023

2.4 Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between

levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In estimating the fair value of investments in subsidiaries, the Group engages independent qualified external valuers to perform the valuation. The management works closely with the external valuers to establish the appropriate valuation techniques and inputs to the model. The management in conjunction with the external valuers also compares the change in fair value with relevant external sources to determine whether the change is reasonable. The management reports the valuation report and findings to the Board of the Investment Manager half yearly to explain the cause of fluctuations in the fair value of the projects.

At each reporting date, the management analyses the movement in the values of assets and liabilities which are required to be remeasured or reassessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation based upon relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy (Note 38)
- Disclosures for valuation methods, significant estimates and assumptions (Note 32 and 38)
- Financial instruments (including those carried at amortised cost) (Note 9,12,16,19,20,21)

2.5 Property, Plant and Equipment

Initial Recognition and Measurement

Property, Plant and Equipment is initially measured at cost of acquisition/construction including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. After initial recognition, Property, Plant and Equipment is carried at cost less accumulated depreciation / amortisation and accumulated impairment losses, if any.



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Property, Plant and Equipment acquired as replacement of the existing assets are capitalized and its corresponding replaced assets removed/ retired from active use are derecognized.

If the cost of the replaced part or earlier inspection component is not available, the estimated cost of similar new parts/inspection component is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection was carried out.

In the case of commissioned assets, where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement.

Transmission system assets are considered as ready for intended use after meeting the conditions for commercial operation as stipulated in Transmission Service Agreement (TSA) and capitalized accordingly.

The cost of land includes provisional deposits, payments/ liabilities towards compensation, rehabilitation and other expenses wherever possession of land is taken.

Expenditure on levelling, clearing and grading of land is capitalized as part of cost of the related buildings.

Spares parts whose cost is ₹ 5,00,000/- and above, standby equipment and servicing equipment which meets the recognition criteria of Property, Plant and Equipment are capitalized.

Subsequent costs

Subsequent expenditure is recognized as an increase in carrying amount of assets when it is probable that future economic benefits deriving from the cost incurred will flow to the group and cost of the item can be measured reliably.

The cost of replacing part of an item of Property, Plant and Equipment is recognized in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to the group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit and Loss as incurred.

Derecognition

An item of Property, Plant and Equipment is derecognized when no future economic benefits are expected from their use or upon their disposal.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

2.6 Capital Work-In-Progress (CWIP)

Cost of material, erection charges and other expenses incurred for the construction of Property, Plant and Equipment are shown as CWIP based on progress of erection work till the date of capitalization.

Expenditure of office and Projects, directly attributable to construction of property, plant and equipment are identified and allocated on a systematic basis to the cost of the related assets.

Interest during construction and expenditure (net) allocated to construction as per policy above are kept as a separate item under CWIP and apportioned to the assets being capitalized in proportion to the closing balance of CWIP.

Unsettled liability for price variation/exchange rate variation in case of contracts is accounted for on estimated basis as per terms of the contracts.

2.7 Intangible Assets and Intangible Assets under development

Intangible assets are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Subsequent expenditure on already capitalized Intangible assets is capitalised when it increases the future economic benefits embodied in an existing asset and is amortised prospectively.

The cost of software (which is not an integral part of the related hardware) acquired for internal use and resulting in significant future economic benefits is recognized as an intangible asset when the same is ready for its use.

Afforestation charges for acquiring right-of-way for laying transmission lines are accounted for as intangible assets on the date of capitalization of related transmission lines.

Expenditure on development shall be recognised as intangible asset if it meets the eligibility criteria as per Ind AS 38 "Intangible Assets", otherwise it shall be recognised as an expense.



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to the Consolidated Financial Statements for the year ended March 31, 2023

Expenditure incurred, eligible for capitalization under the head Intangible Assets, are carried as "Intangible Assets under Development" till such assets are ready for their intended use.

An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.8 Depreciation / Amortisation

Property, Plant and Equipment

Depreciation/Amortisation on the items of Property, Plant and Equipment related to transmission business is provided on straight line method based on the useful life specified in Schedule II of the Companies Act, 2013 except for the following items of property, plant and equipment on which depreciation is provided based on estimated useful life as per technical assessment and considering the terms of Transmission Service Agreement entered with Long Term Transmission Customers

Particulars	Useful life
a. Computers and Peripherals	3 Years
b. Servers and Network Components	5 years
c. Buildings (RCC frame structure)	35 years
d. Transmission line	35 years
e. Substation Equipment	35 years

Depreciation on spares parts, standby equipment and servicing equipment which are capitalized, is provided on straight line method from the date they are available for use over the remaining useful life of the related assets of transmission business

Mobile phones are charged off in the year of purchase.

Residual value is considered as 5% of the Original Cost for all items of Property, Plant and Equipment in line with Companies Act, 2013 except for Computers and Peripherals and Servers and Network Components for which residual value is considered as Nil.

Property, plant and equipment costing ₹ 5,000/- or less, are fully depreciated in the year of acquisition.

Where the cost of depreciable property, plant and equipment has undergone a change due to increase/decrease in long term monetary items on account of exchange rate fluctuation, price adjustment, change in

duties or similar factors, the unamortized balance of such asset is depreciated prospectively.

Depreciation on additions to/deductions from Property, Plant and Equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

The residual values, useful lives and methods of depreciation for items of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, wherever required

Right of Use Assets:

Right of Use assets are fully depreciated from the lease commencement date on a straight line basis over the lease term.

Leasehold land is fully amortized over lease period or life of the related plant whichever is lower. Leasehold land acquired on perpetual lease is not amortized.

Intangible Assets

Cost of software capitalized as intangible asset is amortized over the period of legal right to use or 3 years, whichever is less with Nil residual value.

Afforestation charges are amortized over thirty-five years from the date of capitalization of related transmission assets following the straight line method, with Nil Residual Value.

Amortisation on additions to/deductions from Intangible Assets during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

The amortization period and the amortization method for an intangible asset are reviewed at each financial year-end and are accounted for as change in accounting estimates in accordance with Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

2.9 Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized (net of income on temporary deployment of funds) as part of the cost of such assets till the assets are ready for the intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use.

All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.



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Borrowing costs includes interest expenses, other costs in connection with borrowing of fund and exchange differences to the extent regarded as an adjustment to borrowing costs.

2.10 Impairment of non-financial assets

The carrying amounts of the Groups' non-financial assets are reviewed at least annually to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash on hand and at bank, and deposits held at call with banks having a maturity of three months or less from the date of acquisition that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2.12 Inventories

Inventories are valued at lower of the cost, determined on weighted average basis and net realizable value.

Steel scrap and conductor scrap are valued at estimated realizable value or book value, whichever is less.

Spares which do not meet the recognition criteria as Property, Plant and Equipment including spare parts whose cost is less than ₹ 5,00,000/- are recorded as inventories.

Surplus materials as determined by the management are held for intended use and are included in the inventory.

The diminution in the value of obsolete, unserviceable and surplus stores and spares is ascertained on review and provided for.

2.13 Leases

Lease is a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (i) the contract involves use of an identified asset, (ii) the customer has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the customer has the right to direct the use of the asset.

i) As a Lessee

At the date of commencement of the lease, the group recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and leases for which the underlying asset is of low value. For these short-term and leases for which the underlying asset is of low value, the group recognizes the lease payments on straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any



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to the Consolidated Financial Statements for the year ended March 31, 2023

remeasurement of the lease liability. The group applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in the accounting policy 2.10 on "Impairment of non-financial assets".

The lease liability is initially measured at present value of the lease payments that are not paid at that date.

The interest cost on lease liability is expensed in the Statement of Profit and Loss, unless eligible for capitalization as per accounting policy 2.9 on "Borrowing costs".

Lease liability and ROU asset have been separately presented in the financial statements and lease payments have been classified as financing cash flows.

ii) As a Lessor

A lease is classified at the inception date as a finance lease or an operating lease.

a) Finance leases

A lease that transfers substantially all the risks and rewards incidental to ownership of an asset is classified as a finance lease.

Net investment in leased assets is recorded at the lower of the fair value of the leased property and the present value of the minimum lease payments as Lease Receivables under current and non-current other financial assets.

The interest element of lease is accounted in the Statement of Profit and Loss over the lease period based on a pattern reflecting a constant periodic rate of return on the net investment.

b) Operating leases

An operating lease is a lease other than a finance lease. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

For operating leases, the asset is capitalized as property, plant and equipment and depreciated over its economic life. Rental income from operating lease is recognized over the term of the arrangement.

2.14 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.

Employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

2.15 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Classification

The group classifies its financial assets in the following categories:

- at amortised cost,
- at fair value through other comprehensive income

The classification depends on the following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs, if any, that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

Debt Instruments at Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Debt Instruments at Fair value through other comprehensive income (FVOCI): Assets that are held for



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collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income (OCI) is reclassified from the equity to profit and loss. Interest income from these financial assets is included in finance income using the effective interest rate method.

Equity investments

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The group may, on initial recognition, make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (FVOCI) on an instrument by-instrument basis.

For equity instruments classified as at FVOCI, all fair value changes on the instrument, excluding dividends are recognized in the OCI. There is no recycling of the amounts from OCI to Profit or Loss, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Derecognition of financial assets

A financial asset is derecognized only when

- i) The rights to receive cash flows from the asset have expired, or
- ii)
 - a) The group has transferred the rights to receive cash flows from the financial asset (or) retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients and
 - b) the group has transferred substantially all the risks and rewards of the asset (or) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the amount of consideration received/receivable is recognised in the Statement of Profit and Loss.

Impairment of financial assets:

For trade receivables and contract assets, the group applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For recognition of impairment loss on other financial assets and risk exposure, the group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month Expected Credit Loss (ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Financial Liabilities

Financial liabilities of the group are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the group.

The group's financial liabilities include loans & borrowings, trade and other payables.

Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability that has been extinguished or transferred



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to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other income or finance cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.16 Foreign Currencies Translation

The Group's financial statements are presented in INR, which is its functional currency. The Group does not have any foreign operation.

Transactions and balances

Transactions in foreign currencies are initially recorded by the group at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated with reference to the rates of exchange ruling on the date of the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.17 Income Tax

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In this case the tax is also recognised directly in equity or in other comprehensive income.

Current income tax

The Current Tax is based on taxable profit for the year under the tax laws enacted and applicable to the reporting period in the countries where the group operates and generates taxable income and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the group's financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet method. Deferred tax assets are generally recognised for all

deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

2.18 Revenue

Revenue is measured based on the transaction price to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Amounts disclosed as revenue are net of returns, trade allowances, rebates.

2.18.1 Revenue from Operations

Transmission Income is accounted for based on orders issued by CERC u/s 63 of Electricity Act 2003 for adoption of transmission charges. As at each reporting date, transmission income includes an accrual for services rendered to the customers but not yet billed.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

The Transmission system incentive / disincentive is accounted for based on certification of availability by the respective Regional Power Committees (RPC) and in accordance with the Transmission Service Agreement (TSA) entered between the Transmission Service Provider and



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long term Transmission Customers. Where certification by RPCs is not available, incentive/disincentive is accounted for on provisional basis as per estimate of availability by the group and differences, if any, is accounted upon certification by RPCs.

2.18.2 Other Income

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

Surcharge recoverable from trade receivables, liquidated damages, warranty claims and interest on advances to suppliers are recognized when no significant uncertainty as to measurability and collectability exists.

Scrap other than steel scrap and conductor scrap are accounted for as and when sold.

Insurance claims are accounted for based on certainty of realization.

Revenue from rentals and operating leases is recognized on an accrual basis in accordance with the substance of the relevant agreement.

Income from dividend on investments is accrued in the year in which it is declared, whereby the Group's right to receive is established.

2.19 Cash distributions to unit holders

The group recognises a liability to make cash distributions to unit holders when the distribution is authorised, and a legal obligation has been created. As per the InVT Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

2.20 Provision and contingencies

Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimate.

Contingencies

Contingent liabilities are disclosed on the basis of judgment of the management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

2.21 Prior Period Items

Material prior period errors are corrected retrospectively by restating the comparative amounts for prior period presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

2.22 Earnings per unit

Basic earnings per unit is computed using the net profit or loss for the year attributable to the unitholders and weighted average number of shares outstanding during the year.

Diluted earnings per unit is computed using the net profit or loss for the year attributable to the unitholders and weighted average number of units and potential units outstanding during the year, except where the result would be anti-dilutive.

2.23 Statement of Cash Flows

Statement of Cash Flows is prepared as per indirect method prescribed in the Ind AS 7 'Statement of Cash Flows.



Notes

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NOTE 3/ PROPERTY, PLANT AND EQUIPMENT

Particulars	Cost			Accumulated depreciation			Net Book Value				
	As at 01 April 2022	Additions during the year	Disposal during the year	Adjustment during the year	As at 31 March 2023	As at 01 April 2022	Additions during the year	Disposal during the year	Impairment	As at 31 March 2023	As at 31 March 2022
Land											
Freehold	309.04	-	-	-	309.04	-	-	-	-	309.04	309.04
Buildings											
Sub-Stations & Office	314.14	8.61	-	-	322.75	29.96	9.22	-	8.74	274.83	284.18
Township	14.31	-	-	-	14.31	1.23	0.41	-	0.17	12.50	13.08
Plant & Equipment											
Transmission	94,856.07	7.63	-	-	94,863.70	10,672.11	2,571.81	-	7,685.03	20,928.95	84,183.96
Substation	15,236.67	45.04	-	-	15,281.71	1,749.82	413.32	-	975.01	3,138.15	13,486.85
Unified Load Dispatch & Communication	42.41	-	-	-	42.41	6.15	1.96	-	4.09	12.20	36.26
Furniture and Fixtures	21.11	-	-	-	21.11	3.61	1.88	-	1.71	7.20	17.50
Office equipment	2.46	0.22	-	-	2.68	1.01	0.39	-	0.10	1.50	1.45
Electronic Data Processing & Word Processing Machines	0.73	-	-	-	0.73	0.71	-	-	-	0.71	0.02
Construction and Workshop equipment	0.14	-	-	-	0.14	0.02	-	-	0.01	0.03	0.12
Electrical Installation	4.06	-	-	-	4.06	1.02	0.34	-	0.04	1.40	3.04
Workshop & Testing Equipments	25.04	-	-	-	25.04	1.09	0.90	-	0.36	2.35	23.95
Miscellaneous Assets/ Equipments	0.18	-	-	-	0.18	0.09	0.03	-	0.01	0.13	0.09
TOTAL	110,826.36	61.50	-	-	110,887.86	12,466.82	3,000.26	-	8,675.27	24,142.35	98,359.54

Further Note :

The Group owns 72.53 Hectare of Freehold Land amounting to ₹ 201.19 million based on available Documentation.

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Particulars	Cost				Accumulated depreciation			Net Book Value				
	Addition due to acquisition of Projects	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2022	Addition due to acquisition of Projects	Additions during the year	Disposal	Impairment	As at 31 March 2022	As at 31 March 2023	
Land												
Freehold	309.04	-	-	-	309.04	-	-	-	-	-	-	309.04
Buildings												
Sub-Stations & Office	300.11	14.06	-	(0.03)	314.14	22.39	7.57	-	-	29.96	-	284.18
Township	14.31	-	-	-	14.31	0.87	0.36	-	-	1.23	-	13.08
Plant & Equipment												
Transmission	94,859.74	0.89	-	(4.56)	94,856.07	8,396.38	2,275.73	-	-	10,672.11	-	84,183.96
Substation	15,174.36	64.81	-	(2.50)	15,236.67	1,385.81	364.01	-	-	1,749.82	-	13,486.85
Unified Load Dispatch & Communication	42.41	-	-	-	42.41	4.43	1.72	-	-	6.15	-	36.26
Furniture and Fixtures	11.42	9.69	-	-	21.11	2.12	1.49	-	-	3.61	-	17.50
Office equipment	2.46	-	-	-	2.46	0.65	0.36	-	-	1.01	-	1.45
Electronic Data Processing & Word Processing Machines	0.74	-	-	-	0.74	0.68	0.04	-	-	0.72	-	0.02
Construction and Workshop equipment	0.14	-	-	-	0.14	0.02	-	-	-	0.02	-	0.12
Electrical Installation	4.06	-	-	-	4.06	0.72	0.30	-	-	1.02	-	3.04
Workshop & Testing Equipments	17.65	7.39	-	-	25.04	0.32	0.77	-	-	1.09	-	23.95
Miscellaneous Assets/Equipments	0.18	-	-	-	0.18	0.05	0.04	-	-	0.09	-	0.09
TOTAL	110,736.62	96.84	-	(7.09)	110,826.37	9,814.44	2,652.39	-	-	12,466.83	-	98,359.54

Further Note :

The Group owns 72.53 Hectare of Freehold Land amounting to ₹ 201.19 million based on available Documentation.





Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

NOTE 4/ CAPITAL WORK IN PROGRESS

₹ in million

Particulars	As at 01 April 2022	Additions during the year	Adjustments	Capitalised during the year	As at 31 March 2023
Buildings					
Sub-Stations & Office	-	5.72	-	5.72	-
Township	24.76	27.02	-	2.89	48.89
Plant & Equipments (including associated civil works)					
Transmission	-	7.63	-	7.63	-
Sub-Station	13.94	67.54	-	45.04	36.44
Furniture & Fixtures	-	-	-	-	-
Construction Stores (Net of Provision)	1.05	64.84	-	-	65.89
TOTAL	39.75	172.75	-	61.28	151.22

₹ in million

Particulars	Addition due to acquisition of Projects	Additions during the year	Adjustments	Capitalised during the year	As at 31 March 2022
Buildings					
Sub-Stations & Office	-	14.06	(14.09)	(0.03)	-
Township	29.46	19.05	(23.75)	-	24.76
Plant & Equipments (including associated civil works)					
Transmission	-	1.11	(5.67)	(4.56)	-
Sub-Station	58.71	58.99	(34.05)	69.71	13.94
Furniture & Fixtures	-	-	9.69	9.69	-
Construction Stores (Net of Provision)	-	1.05	-	-	1.05
TOTAL	88.17	94.26	(67.87)	74.81	39.75

Ageing of Capital work in progress is as follows:

Particulars	<1 Year	1-2 Years	2-3 Years	>3 Years	Total
As at 31 March 2023					
Project in progress	117.66	28.53	5.03	-	151.22
Total	117.66	28.53	5.03	-	151.22
As at 31 March 2022					
Project in progress	34.13	5.62	-	-	39.75
TOTAL	34.13	5.62	-	-	39.75

NOTE 5/ GOODWILL ON ACQUISITION

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Goodwill due to acquisition of Projects	5,896.50	9,575.91
Less: Impairment	5,896.50	3,679.41
TOTAL	-	5,896.50

Refer Note 48 for Disclosures pursuant to Ind AS 103 "Business Combinations".

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

NOTE 6/ OTHER INTANGIBLE ASSETS

Particulars	Cost			Accumulated Amortisation		Net Book Value	
	As at 01 April 2022	Additions during the year	Adjustment during the year	As at 31 March 2023	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Electronic Data Processing Software	-	-	-	-	-	-	-
Right of Way-Afforestation Expenses	1,802.66	-	-	1,802.66	193.64	1,379.14	1,623.43
Rights to Additional Revenue	3,041.50	-	-	3,041.50	332.69	2,611.30	3,041.23
TOTAL	4,844.16	-	-	4,844.16	526.33	3,990.44	4,664.66

Particulars	Cost			Accumulated Amortisation		Net Book Value	
	Addition due to acquisition of Projects	Adjustment during the year	As at 31 March 2022	Additions during the year	Disposal Impairment year	As at 31 March 2022	As at 31 March 2022
Electronic Data Processing Software	0.07	-	0.07	-	-	0.07	-
Right of Way-Afforestation Expenses	1,798.60	-	1,802.66	44.84	-	179.23	1,623.43
Rights to Additional Revenue*	-	-	3,041.50	0.27	-	0.27	3,041.23
TOTAL	1,798.67	-	4,844.23	45.11	-	179.57	4,664.66

*Rights to additional revenue acquired at gross consideration of ₹ 3041.50 million from POWERGRID by respective SPVs i.e, PPTL, PWTL and PJTL.



Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

NOTE 7/ OTHER NON-CURRENT ASSETS

(Unsecured considered good unless otherwise stated)

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Advances for Other than Capital Expenditure		
Security deposits - Unsecured	3.27	3.12
Balance with Customs Port Trust and other authorities	-	0.18
	3.27	3.30
Others		
Advance Tax and Tax Deducted at Source	2,240.08	1,894.90
Less: Tax Liabilities - (From Note 24)	1,618.83	1,431.11
TOTAL	624.52	467.09

NOTE 8/ INVENTORIES

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
(For mode of valuation refer Note 2.12)		
Components, Spares & other spare parts	307.36	307.65
Loose tools	0.79	0.63
	308.15	308.28
Less Provision for Shortages/damages etc	-	-
TOTAL	308.15	308.28

NOTE 9/ TRADE RECEIVABLES

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables		
Unsecured Considered good	3,263.05	3,334.77
Considered doubtful (Credit Impaired)	18.96	18.96
	3,282.01	3,353.73
Less: Provision for doubtful trade receivables	18.96	18.96
TOTAL	3,263.05	3,334.77

Further Notes:

Ageing of Trade Receivables is as follows:

Particulars		Unbilled	0-6M	6M-1Y	1Y-2Y	2Y-3Y	>3Y	Total
As at 31 March 2023								
Considered – Good	Undisputed	1,624.95	813.86	181.04	628.49	13.91	0.80	3,263.05
	Disputed	-	-	-	-	-	-	-
Significant increase in Credit Risk	Undisputed	-	-	-	-	-	-	-
	Disputed	-	-	-	-	-	-	-
Credit Impaired	Undisputed	-	-	-	-	0.08	18.88	18.96
	Disputed	-	-	-	-	-	-	-
		1,624.95	813.86	181.04	628.49	13.99	19.68	3,282.01



Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Particulars		Unbilled	0-6M	6M-1Y	1Y-2Y	2Y-3Y	>3Y	Total
As at 31 March 2022								
Considered – Good	Undisputed	1,713.44	1,154.04	288.24	177.51	0.73	0.81	3,334.77
	Disputed	-	-	-	-	-	-	-
Significant increase in Credit Risk	Undisputed	-	-	-	-	-	-	-
	Disputed	-	-	-	-	-	-	-
Credit Impaired	Undisputed	-	-	-	0.08	0.12	18.76	18.96
	Disputed	-	-	-	-	-	-	-
		1,713.44	1,154.04	288.24	177.59	0.85	19.57	3,353.73

Trade receivables includes receivables from various DICs through CTUIL.

Refer Note 49 for disclosure as per Ind AS 115 "Revenue from Contract With Customer".

*Trade Receivable includes Unbilled receivables representing Transmission Charges for the month of March 2023 including arrear bills for previous quarters, incentive and surcharge amounting to ₹ 1624.95 million (Previous year ₹ 1713.44 million) billed to beneficiaries in the subsequent month i.e. April 2023.

NOTE 10/ CASH AND CASH EQUIVALENTS

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Balance with banks		
In Current accounts	112.04	57.69
In term deposits (with maturity of 3 months or less)	4,882.83	5,210.90
TOTAL	4,994.87	5,268.59

Further Notes:

Balance in current account does not earn interest. Surplus money is transferred into Term Deposits.

NOTE 11/ BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Balance with banks		
In designated Current accounts (For Distribution Payments)*	0.46	1.74
In Term Deposits having maturity over 3 months but upto 12 months (DSRA)	122.68	-
TOTAL	123.14	1.74

Further Notes:

*Earmarked balance with banks pertains to unclaimed distribution to unitholders.

NOTE 12/ OTHER CURRENT FINANCIAL ASSETS

(Unsecured considered good unless otherwise stated)

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Interest accrued on Term Deposits	31.76	33.89
Others	0.25	5.92
TOTAL	32.01	39.81



Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

NOTE 13/ OTHER CURRENT ASSETS

(Unsecured considered good unless otherwise stated)

Particulars	₹ in million	
	As at 31 March 2023	As at 31 March 2022
Advances recoverable in kind or for value to be received		
Balance with Customs Port Trust and other authorities	0.16	0.16
Service Tax Demand Pre-Deposit *	3.77	-
Others**	33.77	33.70
	37.70	33.86
Prepaid Expenses	162.05	127.08
TOTAL	199.75	160.94

*One of the SPV of the Trust had received Order from Commissioner of CGST & Central Excise, Nagpur-II Commissionerate with respect to the Non-Payment of Service Tax on Deposits of ₹ 335.01 million in Compensatory Afforestation Management and Planning Authority (CAMPAA) Fund. The Order was against the SPV and the Department raised demand to pay the due Service Tax of ₹ 50.25 million along with penalty and applicable interest. We have filed appeal against the order in Customs Excise and Service tax Appellate Tribunal (CESTAT), Mumbai on 23 March 2023 and as a pre-requisite to the Appeal u/s 35F of the Excise Act read with Section 83 of the Finance Act 1994, a pre-deposit of ₹ 3.77 million (7.5 % of the total demand amount) was deposited with the Department on 15 March 2023.

**Others include Entry tax deposit as per Orders of Appellate authority for stay, part of contingent liability Refer Note no. 44.

NOTE 14/ UNIT CAPITAL

Particulars	₹ in million	
	As at 31 March 2023	As at 31 March 2022
Unit Capital		
Issued, subscribed and paid up		
909,999,200 units (Issue Price of ₹ 100 Each)	90,999.92	90,999.92
TOTAL	90,999.92	90,999.92

Further Notes:

Terms/rights attached to Units

The Trust has only one class of units. Each Unit represents an undivided beneficial interest in the Trust. Each holder of unit is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in every six months in each financial year in accordance with the InvIT Regulations.

A Unitholder has no equitable or proprietary interest in the projects of PGINVIT and is not entitled to any share in the transfer of the projects (or any part thereof) or any interest in the projects (or any part thereof) of PGINVIT. A Unitholder's right is limited to the right to require due administration of PGINVIT in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

Reconciliation of the number of units outstanding and the amount of unit capital:

Particulars	No. of Units	₹ in million
As at 01 April 2022	909,999,200	90,999.92
Issued during the year	-	-
As at 31 March 2023	909,999,200	90,999.92
As at 01 April 2021	-	-
Issued during the year*	909,999,200	90,999.92
As at 31 March 2022	909,999,200	90,999.92

*During the previous year the Trust has issued 909,999,200 units at the rate of ₹ 100.00 per unit. Out of which, Fresh issue comprised of 499,348,300 no. of units and 410,650,900 no. of units allotted to the Sponsor. In compliance with InvIT Regulations, Sponsor retained 136,500,100 no. of units and made an Offer for Sale for 274,150,800 no. of units.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Details of Sponsor holding:

Particulars	No. of Units	% holding
Power Grid Corporation of India Limited (Sponsor)	136,500,100	15.00%

Unitholders holding more than 5 (five) percent units in the Trust:

Name of Unitholder	31 March 2023		31 March 2022	
	Nos. in million	% holding	Nos. in million	% holding
POWER GRID CORPORATION OF INDIA LIMITED (SPONSOR)	136.50	15.00%	136.50	15.00%
CPP INVESTMENT BOARD PRIVATE HOLDINGS 4 INC	91.84	10.09%	91.84	10.09%
NPS TRUST	65.12	7.16%	63.59	6.99%
CAPITAL INCOME BUILDER	59.15	6.50%	59.15	6.50%
HDFC TRUSTEE COMPANY LTD	46.17	5.07%	46.59	5.12%

NOTE 15/ OTHER EQUITY

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Reserves and Surplus		
Capital reserve	330.15	330.15
Self Insurance Reserve	-	-
Retained Earnings	(14,265.18)	(1,393.81)
TOTAL	(13,935.03)	(1,063.66)

Capital Reserve

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	330.15	-
Addition during the year*	-	330.15
Deduction during the year	-	-
Balance at the end of the year	330.15	330.15

*Difference between carrying amount of Non-controlling interest and the fair value of the consideration paid has been transferred to Capital Reserve.

Self Insurance Reserve

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	-	-
Addition during the year	-	0.60
Deduction during the year	-	(0.60)
Balance at the end of the year	-	-



Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Retained Earnings

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	(1,393.81)	-
Add: Additions		
Net Profit for the period	(1,951.38)	5,068.42
Transfer from Self Insurance Reserve	-	0.60
Other adjustment	-	362.76
	(1,951.38)	5,431.78
Less: Appropriations		
Self Insurance Reserve	-	0.60
Distribution during the year	10,919.99	6,824.99
	10,919.99	6,825.59
Balance at the end of the year	(14,265.18)	(1,393.81)

Retained earnings are the profits earned till date, less any transfers to reserves and distributions paid to unitholders.

NOTE 16/ BORROWINGS

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Secured Indian Rupee Loan from Banks		
Term loan from HDFC Bank Ltd.	5,727.07	5,755.85
Less: Current maturities	28.78	28.78
	5,698.29	5,727.07
Less: Unamortised transaction cost	6.29	6.79
TOTAL	5,692.00	5,720.28

Further Notes:

The term loan is secured by (i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/ realized from those loans and advances extended by the Trust to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs; (ii) First pari-passu charge on Escrow account of the Trust and (iii) First and exclusive charge on Debt Service Reserve Account.

The term loan from bank was raised at the interest rate of 3 months T-Bill rate plus spread of 194 basis point and repayable in 64 quarterly installments of varying amounts commencing from 30 June 2022. The spread has been revised to 160 basis points w.e.f. 9th January 2023.

There have been no breaches in the financial covenants with respect to borrowings.

There has been no default in repayment of loans or payment of interest thereon as at the end of the year.

NOTE 17/ DEFERRED TAX LIABILITIES (NET)

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred Tax Liability		
Difference in book depreciation and tax depreciation	15,212.94	16,855.75
	15,212.94	16,855.75
Deferred Tax Assets		
Unused Tax Losses	2,553.19	2,202.96
MAT Credit Entitlement	1,504.62	1,354.71
Provisions	0.14	0.14
Others	0.01	0.01
	4,057.96	3,557.82
TOTAL	11,154.98	13,297.93

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Movement in Deferred Tax Liability

Particulars	₹ in million	
	Property, Plant & Equipment	
Addition due to acquisition of Projects	16,046.28	
Charged/ (Credited) to Profit or Loss	809.47	
As at 31 March 2022	16,855.75	
As at 01 April 2022	16,855.75	
Charged/ (Credited) to Profit or Loss	(1,642.81)	
As at 31 March 2023	15,212.94	

Movement in Deferred Tax asset

Particulars	₹ in million				
	Unused Tax Losses	Provisions	MAT Credit	Others	Total
Addition due to acquisition of Projects	2,011.81	0.14	1,132.99	0.01	3,144.95
(Charged)/ Credited to Profit or Loss	191.15	-	221.72	-	412.87
As at 31 March 2022	2,202.96	0.14	1,354.71	0.01	3,557.82
As at 01 April 2022	2,202.96	0.14	1,354.71	0.01	3,557.82
(Charged)/ Credited to Profit or Loss	350.23	-	149.91	-	500.14
As at 31 March 2023	2,553.19	0.14	1,504.62	0.01	4,057.96

Amount taken to Statement of Profit and Loss

Particulars	₹ in million	
	As at 31 March 2023	As at 31 March 2022
Increase/(Decrease) in Deferred Tax Liabilities	(1,642.81)	809.47
(Increase)/Decrease in Deferred Tax Assets	(500.14)	(412.87)
Net Amount taken to Statement of Profit and Loss	(2,142.95)	396.60

NOTE 18/ OTHER NON CURRENT LIABILITIES

Particulars	₹ in million	
	As at 31 March 2023	As at 31 March 2022
Deposit/Retention money from contractors and others	-	0.05
TOTAL	-	0.05

NOTE 19/ BORROWINGS

Particulars	₹ in million	
	As at 31 March 2023	As at 31 March 2022
Secured Indian Rupee Loan from Banks		
Current maturities of Term loan from HDFC Bank Ltd.	28.78	28.78
TOTAL	28.78	28.78

Refer Note no.16 for Borrowings.



Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

NOTE 20/ TRADE PAYABLES

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
For goods and services		
Total outstanding dues of Micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than Micro enterprises and small enterprises	6.68	2.76
TOTAL	6.68	2.76

Disclosure with regard to Micro and Small enterprises as required under "The Micro, Small and Medium Enterprises Development Act, 2006" is given in Note No 37.

Further Note :

₹ in million

1. Ageing of Trade Payables is as follows:	Not Billed	<1Y	1Y-2Y	2Y-3Y	>3Y	Total
As at 31 March 2023						
MSME						
Disputed	-	-	-	-	-	-
Undisputed	-	-	-	-	-	-
Total						
Others						
Disputed	-	-	-	-	-	-
Undisputed	6.68	-	-	-	-	6.68
Total	6.68	-	-	-	-	6.68
As at 31 March 2022						
MSME						
Disputed	-	-	-	-	-	-
Undisputed	-	-	-	-	-	-
Total						
Others						
Disputed	-	-	-	-	-	-
Undisputed	2.76	-	-	-	-	2.76
Total	2.76	-	-	-	-	2.76

NOTE 21/ OTHER CURRENT FINANCIAL LIABILITIES

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Unclaimed Distribution	0.46	1.74
Others		
Dues for capital expenditure	224.55	191.26
Deposits/Retention money from contractors and others	15.12	12.27
Related parties	2.58	1.63
Others	2.23	7.74
TOTAL	244.94	212.90

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

NOTE 22/ OTHER CURRENT LIABILITIES

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory dues	17.31	15.96
TOTAL	17.31	15.96

NOTE 23/ PROVISIONS

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Provisions		
As per last balance sheet	9.95	0.88
Additions during the year	18.51	19.97
Adjustments during the year	(19.41)	(10.90)
Closing Balance	9.05	9.95

NOTE 24/ CURRENT TAX LIABILITIES (NET)

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Taxation (Including interest on tax)		
Opening Balance	1,431.22	-
Addition due to acquisitions of Projects	-	1,139.79
Additions during the year	210.15	291.43
Adjustments during the year	(22.54)	-
Total	1,618.83	1,431.22
Net off against Advance tax and TDS (Note 7)	(1,618.83)	(1,431.11)
TOTAL	-	0.11

NOTE 25/ REVENUE FROM OPERATIONS

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Sales of services		
Transmission Business		
Sales of services		
Transmission Charges	12,857.85	12,173.39
TOTAL	12,857.85	12,173.39

Refer Note 49 for disclosure as per Ind AS 115 "Revenue from Contracts with Customers".

NOTE 26/ OTHER INCOME

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Interest		
Indian Banks	164.74	131.98
Others	2.39	10.69
	167.13	142.67
Others		
Surcharge	76.54	105.74
Liquidated damage recovery	-	0.01
Miscellaneous income	51.39	12.32
	127.93	118.07
TOTAL	295.06	260.74



Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

NOTE 27/ OTHER EXPENSES

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Power Charges	13.44	11.54
Water Charges	-	0.61
System and Market Operation Charges	17.12	19.05
CERC license fee & Other charges	14.22	9.50
Director Sitting Fee	2.59	-
Security Expenses	17.17	14.66
Legal Expenses	1.94	1.36
Professional Charges(Including TA/DA)	3.29	1.87
RTA Fee	0.52	0.43
Rating Fee	2.06	0.59
Internal Audit and Physical verification Fees	0.09	0.05
Cost Audit Fees	0.14	0.15
Inland Travelling Expenses	0.30	-
Annual Meeting Expenses	0.38	-
Listing Fee	4.72	-
Miscellaneous Expenses	2.87	0.07
Rates and Taxes	0.56	0.54
Brokerage & Commission	-	0.01
CDSL Fee	0.09	-
Custodial Fee	0.46	-
Expenditure on Corporate Social Responsibility (CSR)	114.99	107.95
TOTAL	196.95	168.38

NOTE 28/ EMPLOYEE BENEFITS EXPENSE

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Salaries, wages, allowances & benefits	11.40	3.15
TOTAL	11.40	3.15

NOTE 29/ FINANCE COSTS

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Interest and finance charges on financial liabilities at amortised cost		
Interest on Secured Indian Rupee Term Loan from Banks	413.83	0.91
Amortization of Upfront fee	0.50	0.01
TOTAL	414.33	0.92

NOTE 30/ DEPRECIATION AND AMORTIZATION EXPENSE

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Depreciation of Property, Plant and Equipment	3,000.26	2,652.39
Amortisation of Intangible Assets	147.89	45.11
TOTAL	3,148.15	2,697.50



Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

31. EARNINGS PER UNIT (EPU)

Basic EPU amounts are calculated by dividing the profit for the year attributable to unitholders by the weighted average number of units outstanding during the year.

Diluted EPU amounts are calculated by dividing the profit attributable to unitholders by the weighted average number of units outstanding during the period plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

The following reflects the profit and unit data used in the basic and diluted EPU computation:

Particulars	For the year ended on 31 March 2023	For the year ended on 31 March 2022
Profit after tax for calculating basic and diluted EPU (₹ in million)	(1,951.38)	5,068.42
Weighted average number of units in calculating basic and diluted EPU (No. in million)	910.00	815.90
Earnings Per Unit		
Basic (₹ / unit)	(2.14)	6.21
Diluted (₹ / unit)	(2.14)	6.21

32. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgement

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements.

a) Classification of Unitholders' Funds

Under the provisions of the InvIT Regulations, Group is required to distribute to unitholders not less than ninety percent of the net distributable cash flows of Group for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Group to pay to its unitholders cash distributions. The unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - 'Financial Instruments: Presentation'. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/114/2016 dated 20 October 2016 and No. CIR/IMD/DF/127/2016

dated 29 November 2016) issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20 October 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unitholders is recognized as liability when the same is approved by the Investment Manager.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities or fair value disclosures within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Fair Valuation and disclosure

SEBI Circulars issued under the InvIT Regulations require disclosures relating to net assets at fair value and total returns at fair value. In estimating the fair value, the Group engages independent qualified external valuer, as mandated under InvIT Regulations, to perform



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the valuation. The management works closely with the valuers to establish the appropriate valuation techniques and inputs for valuation. The management reports the valuation report and findings to the Board of the Investment Manager half yearly to explain the cause of fluctuations in the fair value of the projects. The inputs for the valuation are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc. Changes in assumptions about these factors could affect the fair value.

b) Useful life of property, plant and equipment

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The group reviews at the end of each reporting date the useful life of property, plant and equipment and are adjusted prospectively, if appropriate.

c) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

d) Income Taxes:

Significant estimates are involved in determining the provisions for current and deferred tax, including amount expected to be paid/recovered for uncertain tax positions.

33. PARTY BALANCES AND CONFIRMATIONS

- a) Some balances of Trade Receivables and recoverable shown under Assets and Trade and Other Payables shown under Liabilities include balances subject to confirmation/ reconciliation and consequential adjustments if any. However, reconciliations are carried out on ongoing basis. The management does not expect any material adjustment in the books of accounts as a result of the reconciliation.
- b) In the opinion of the management, the value of any of the assets other than Property, Plant and Equipment on realization in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

34. Central Transmission Utility of India Limited (CTUIL) was notified as CTU w.e.f. 01 April 2021 by GOI vide Notification No. CG-DL-E-09032021-225743 and is entrusted with the job of centralized Billing, Collection and Disbursement (BCD) of transmission charges on behalf of all the IST licensees. Accordingly, CTUIL is raising bills for transmission charges to DICs on behalf of IST licensees. The debtors and their recovery are accounted based on the list of DICs given by CTUIL.

35. DISCLOSURE AS PER IND AS 116 - "LEASES"

The group does not have any lease arrangements either as a lessor or lessee therefore Ind AS 116 "leases" does not apply to the Trust".

36. CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENSES

As per Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Companies (CSR Policy) Amendment Rules, 2021, the Subsidiaries of the Trust are required to spend, in every financial year, at least two percent of the average net profits of the Subsidiaries made during the three immediately preceding financial years. Accordingly, subsidiaries of the Trust have spent ₹ 114.99 million during the year (₹ 107.95 million during the previous year).

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37. DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

₹ in million

Sr. No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Principal amount and interest due there on remaining unpaid to any supplier as at end of each accounting year:		
	Principal	-	-
	Interest	-	-
2	The amount of Interest paid by the buyer sin terms of section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

38. FAIR VALUE MEASUREMENTS

The management has assessed that the financial assets and financial liabilities as at year end are reasonable approximations of their fair values.

The Trust is required to present the statement of total assets at fair value and statement of total returns at fair value as per SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 as a part of these financial statements- Refer Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.

The inputs to the valuation models for computation of fair value of assets for the above mentioned statements are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc.

The significant unobservable inputs used in the fair value measurement required for disclosures categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2023 and 31 March 2022 are as shown below:

₹ in million

Significant unobservable input	Input for 31 March 2023	Sensitivity of input to the fair value	Increase/(Decrease) in fair value
			31 March 2023
WACC	9.01%	9.50%	(3,440.89)
		8.50%	3,894.31

₹ in million

Significant unobservable input	Input for 31 March 2022	Sensitivity of input to the fair value	Increase/(Decrease) in fair value
			31 March 2022
WACC	7.70% to 8.00%	+0.50%	(4,597.60)
		-0.50%	5,128.00



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Quantitative disclosures fair value measurement hierarchy for assets:

₹ in million					
Particulars	Date of valuation	Level 1	Level 2	Level 3	Total
Assets for which fair values are disclosed: Property Plant and Equipment, Intangible Assets and Goodwill*	31 March 2023	-	-	90,735.97	90,735.97
	31 March 2022	-	-	108,920.70	108,920.70

*Statement of Net assets at fair value and total return at fair value require disclosure regarding fair value of assets (liabilities are considered at book value). Since the fair value of assets other than the Property Plant and Equipment, Intangible Asset and Goodwill, approximate their book value hence these have been disclosed above.

The Value disclosed above represents 100% value of the Property Plant and Equipment, Intangible Assets and Goodwill without adjustment for Non-Controlling Interest.

There have been no transfers among Level 1, Level 2 and Level 3.

39. RELATED PARTY DISCLOSURES

(A) Disclosure as per Ind AS 24 - "Related Party Disclosures"

(a) Entity with significant influence over trust

Name of entity	Place of business/country of incorporation	Relationship with Trust
Power Grid Corporation of India Limited	India	Sponsor and Project Manager / Entity with significant influence

(B) Disclosure as per Regulation 2(1)(zv) of the InvIT Regulations

(a) Parties to Trust

Name of entity	Place of business/country of incorporation	Relationship with Trust
Power Grid Corporation of India Limited	India	Sponsor and Project Manager
POWERGRID Unchahar Transmission Limited	India	Investment Manager
IDBI Trusteeship Services Limited	India	Trustee

(b) Promoters of the parties to Trust specified in (i) above

Name of entity	Promoter
Power Grid Corporation of India Limited	Government of India
POWERGRID Unchahar Transmission Limited	Power Grid Corporation of India Limited
IDBI Trusteeship Services Limited	IDBI Bank Limited
	Life Insurance Corporation of India
	General Insurance Corporation of India

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(c) Directors of the parties to Trust specified in (a) above

(i) Directors of Power Grid Corporation of India Limited:

Shri K. Sreekant
 Shri Vinod Kumar Singh
 Shri Abhay Choudhary
 Shri Ravindra Kumar Tyagi (Appointed as Director w.e.f. 12.08.2022)
 Shri G. Ravisankar (Appointed as Director w.e.f. 21.09.2022)
 Shri Dilip Nigam (Appointed as Director w.e.f. 06.06.2022)
 Shri Mohammad Afzal (Appointed as Director w.e.f. 11.10.2022)
 Shri Chetan Bansilal Kankariya
 Shri Korachara Nagappa Onkarappa
 Shri Ram Naresh Tiwari
 Shri Madhav Rajendran Raghuraj (Appointed as Director w.e.f. 05.08.2022 and Ceased to be Director w.e.f. 11.10.2022)

(ii) Directors of POWERGRID Unchahar Transmission Limited

Smt. Seema Gupta (Ceased to be Director w.e.f. 31.05.2022)
 Shri Abhay Choudhary (Appointed as Director w.e.f. 01.06.2022)
 Shri A K Singhal (Ceased to be Director w.e.f. 31.03.2023)
 Shri Korachara Nagappa Onkarappa
 Shri Ram Naresh Tiwari
 Shri Purshottam Agarwal (Appointed as Director w.e.f. 01.04.2023)

(iii) Key Managerial Personnel of POWERGRID Unchahar Transmission Limited

Shri Sanjay Sharma (CEO) (Appointed as CEO w.e.f. 02.03.2023)
 Shri Purshottam Agarwal (CEO) (Ceased to be CEO w.e.f. 02.03.2023)
 Shri Amit Garg (CFO)
 Smt. Anjana Luthra (Company Secretary)

(iv) Directors of IDBI Trusteeship services Limited

Shri J. Samuel Joseph
 Shri Pradeep Kumar Jain
 Smt. Jayashree Ranade
 Smt. Madhuri J. Kulkarni (Ceased to be Director w.e.f. 06.12.2022)
 Smt. Padma V. Betai (Ceased to be Director w.e.f. 31.12.2022)
 Shri Pradeep Kumar Malhotra (Appointed as Director w.e.f. 14.12.2022)
 Ms. Baljinder Kaur Mandal (Appointed as Director w.e.f. 17.01.2023)

(C) The outstanding balances of related parties are as follows:

Particulars	₹ in million	
	As at 31 March 2023	As at 31 March 2022
Amounts Payable		
Power Grid Corporation of India Limited (Sponsor and Project Manager)		
Incentive on O&M Consultancy fees and PIMA fees thereon	10.77	6.33
Other Payable – Construction consultancy charges	0.89	
Total	11.66	6.33
Amount Receivable		
Power Grid Corporation of India Limited (Sponsor and Project Manager)		
CAMPA Appeal Filing with CESTAT Fees paid by the Group but to be indemnified by Power Grid Corporation of India Limited as per the Share Purchase Agreement entered with it	0.01	-



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(D) The transactions with related parties during the period are as follows:

₹ in million

Particulars	For the year ended on 31 March 2023	For the year ended on 31 March 2022
Power Grid Corporation of India Limited (Sponsor and Project Manager)		
Purchase of Equity Shares of VTL	-	14,869.21
Purchase of Equity Shares of PKATL	-	2,022.92
Purchase of Equity Shares of PJTL	-	7,234.13
Purchase of Equity Shares of PWTL	-	10,327.52
Purchase of Equity Shares of PPTL	-	9,919.16
Issue of Unit Capital	-	41,065.09
Acquisition of additional revenue on account of claims under change in Law*	-	3,041.50
Distribution paid	1,638.00	1,023.75
Dividend paid	588.20	1,167.52
Repayment of Loan during the period	-	49,934.84
Payment of Operation & Maintenance Charges (Including Taxes)	299.54	272.55
Payment of Project Implementation & Management Charges (Including Taxes)	44.94	38.52
Consultancy Fees	2.31	2.95
Reimbursement of BG extension charges (Including taxes)	-	0.05
Legal Expenses Recovered from Power Grid Corporation of India Limited	1.06	-
POWERGRID Unchahar Transmission Limited (Investment Manager)		
Payment of Investment Manager fee (Including Taxes)	93.08	111.57
IDBI Trusteeship Services Limited (Trustee)		
Payment of Trustee fee (Including Taxes)	0.35	0.35

* In March 2022, PPTL, PWTL and PJTL has purchased the Right of additional revenue from POWERGRID at ₹ 810.10 million, ₹ 1,118.40 million and ₹ 1,113.00 million respectively.

Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.4(b)(iv) of Section A of Annexure A to SEBI Circular dated 20 October 2016 are as follows:

(A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):

The Trust has not made any acquisition during the current Financial Year ended 31 March 2023. However, during the Financial Year ended 31 March 2022, the Trust has acquired 74% equity share capital of POWERGRID Kala Amb Transmission Limited ('PKATL'), POWERGRID Parli Transmission Limited ('PPTL'), POWERGRID Warora Transmission Limited ('PWTL') and POWERGRID Jabalpur Transmission Limited ('PJTL') and 100% equity share capital of Vizag Transmission Limited ('VTL') from Power Grid Corporation of India Limited.

The Trust has paid the consideration for acquisition of 74% equity share capital of VTL, PKATL, PPTL, PWTL and PJTL from Power Grid Corporation of India Limited on 13 May 2021 pursuant to separate share purchase agreements. Summary of the valuation report dated 26 February 2021 issued by the independent valuer appointed under the InvIT Regulations, expressing opinion on the fair valuation of the specified SPVs as of 31 December 2020 is as follows:

SPV	WACC	Enterprise Value (₹ in million)	Equity Value (₹ in million)	No. of Shares	Value per share (₹)
VTL	7.80%	23,136.10	15,313.80	209,730,000	73.00
PKATL	7.60%	4,535.20	2,679.50	61,000,000	43.90
PPTL	7.70%	25,976.40	13,138.60	322,100,000	40.80
PWTL	7.70%	29,036.80	13,679.50	393,300,000	34.80
PJTL	7.60%	21,163.00	9,582.10	226,910,000	42.20



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Further, in terms of the share purchase agreement, 26% equity share capital of VTL was acquired by PGINVT on 31 March 2022. Summary of the valuation report dated 17 February 2022 issued by the independent valuer appointed under the InvIT Regulations, expressing opinion on the fair valuation of the VTL as of 31 January 2022 is as follows:

SPV	WACC	Enterprise Value (₹ in million)	Equity Value (₹ in million)	No. of Shares	Value per share (₹)
VTL	7.90%	21,876.20	14,568.00	209,730,000	69.50

(B) Material conditions or obligations in relation to the transactions:

Acquisition of Vizag Transmission Limited (VTL): Pursuant to the share purchase agreement dated 22 April 2021 ("SPA") (and amendments thereof) executed among Power Grid Corporation of India Limited, IDBI Trusteeship Services Limited, POWERGRID Unchahar Transmission Limited, and Vizag Transmission Limited, Trust acquired 74% equity stake in VTL.

Under the Agreement, the Trust agreed and undertook to purchase from POWERGRID and POWERGRID agreed and undertook to sell the balance 26% equity stake of VTL to the Trust.

No external financing was obtained for the above acquisition of 74% equity stake in VTL and the transaction was funded by issue of units of the Trust to POWERGRID.

No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of POWERGRID Kala Amb Transmission Limited (PKATL): Pursuant to the share purchase agreement dated 22 April 2021 ("SPA") executed among Power Grid Corporation of India Limited, IDBI Trusteeship Services Limited, POWERGRID Unchahar Transmission Limited, and POWERGRID Kala Amb Transmission Limited, Trust acquired 74% equity stake in PKATL.

Under the Agreement, the Trust agreed and undertook to purchase from POWERGRID and POWERGRID agreed and undertook to sell the balance 26% equity stake of PKATL to the Trust.

No external financing was obtained for the above acquisition of 74% equity stake in PKATL and the transaction was funded by issue of units of the Trust to POWERGRID.

No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of POWERGRID Parli Transmission Limited (PPTL): Pursuant to the share purchase agreement dated 22 April 2021 ("SPA") executed among Power Grid

Corporation of India Limited, IDBI Trusteeship Services Limited, POWERGRID Unchahar Transmission Limited, and POWERGRID Parli Transmission Limited, Trust acquired 74% equity stake in PPTL.

Under the Agreement, the Trust agreed and undertook to purchase from POWERGRID and POWERGRID agreed and undertook to sell the balance 26% equity stake of PPTL to the Trust.

No external financing was obtained for the above acquisition of 74% equity stake in PPTL and the transaction was funded by issue of units of the Trust to POWERGRID.

No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of POWERGRID Warora Transmission Limited (PWTL): Pursuant to the share purchase agreement dated 22 April 2021 ("SPA") executed among Power Grid Corporation of India Limited, IDBI Trusteeship Services Limited, POWERGRID Unchahar Transmission Limited, and POWERGRID Warora Transmission Limited, Trust acquired 74% equity stake in PWTL.

Under the Agreement, the Trust agreed and undertook to purchase from POWERGRID and POWERGRID agreed and undertook to sell the balance 26% equity stake of PWTL to the Trust.

No external financing was obtained for the above acquisition of 74% equity stake in PWTL and the transaction was funded by issue of units of the Trust to POWERGRID.

No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of POWERGRID Jabalpur Transmission Limited (PJTL): Pursuant to the share purchase agreement dated 22 April 2021 ("SPA") executed among Power Grid Corporation of India Limited, IDBI Trusteeship Services Limited, POWERGRID Unchahar Transmission Limited, and POWERGRID Jabalpur Transmission Limited, Trust acquired 74% equity stake in PJTL.



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Under the Agreement, the Trust agreed and undertook to purchase from POWERGRID and POWERGRID agreed and undertook to sell the balance 26% equity stake of PJTL to the Trust.

No external financing was obtained for the above acquisition of 74% equity stake in PJTL and the transaction was funded by issue of units of the Trust to POWERGRID.

No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of balance 26% equity stake in Vizag Transmission Limited (VTL): Pursuant to the share purchase agreements dated 22 April 2021 ("SPA") (and amendments thereof) executed among Power Grid Corporation of India Limited, IDBI Trusteeship Services Limited, POWERGRID Unchahar Transmission Limited, and Vizag Transmission Limited, Trust acquired the balance 26% equity stake in VTL.

The above acquisition was financed through Rupee Term Loan from HDFC Bank Limited. Interest rate on term loan was 3 months T-Bill rate plus spread of 194 basis points. The spread has been revised to 160 basis points w.e.f. 9th January 2023.

No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

40. INVESTMENT MANAGER FEES

Pursuant to the Investment Management Agreement dated 18 December 2020, Investment Manager fees is aggregate of

- ₹ 72,500,000 per annum, in relation to the initial SPVs; and
- 0.10% of the aggregate Gross Block of all Holding Companies and SPVs acquired by the InvIT after the execution of this agreement.

Further, the management fee set out above shall be subject to escalation on an annual basis at the rate of 6.75% of the management fee for the previous year. Any applicable taxes, cess or charges, as the case may be, shall be in addition to the management fee.

During the period, Trust has not acquired any assets other than initial SPVs.

Investment Manager Fees during the previous year included ₹ 24.38 million for the period from 18 December 2020 to 31 March 2021.

41. PROJECT MANAGER FEES

Pursuant to the Project Implementation and Management Agreement dated January 23, 2021, Project Manager is entitled to fees @ 15% of the aggregate annual fees payable under the O&M Agreements. Any applicable taxes, cess or charges, as the case may be, shall be in addition to the fee.

42. SEGMENT REPORTING

The Group's activities comprise of transmission of electricity in India. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of Ind AS - 108 have not separately been given.

43. CAPITAL AND OTHER COMMITMENTS

₹ in million

Particulars	As at	As at
	31 March 2023	31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	280.51	102.11

The Group has entered into separate Share Purchase agreements with POWERGRID for acquisition of balance 26% equity stake in each of the subsidiary i.e. PKATL, PPTL, PWTL and PJTL.

The Group has entered into transmission services agreement (TSA) with long term transmission customers pursuant to which the Group has to ensure minimum availability of transmission line over the period of the TSA. The TSA contains provision for disincentives and penalties.

Other commitments related to services to be rendered / procurements made in the normal course of business are not disclosed to avoid excessive details.

44. CONTINGENT LIABILITY

- Claims against the Group not acknowledged as debts in respect of Disputed Income Tax/Sales Tax/Excise/Municipal Tax/Entry Tax Matters
 - Disputed Entry Tax Matters amounting to ₹ 96.28 million (For the Year FY 2021-22 ₹ 96.28 million) contested before the Appellant Deputy Commissioner.

In this regard, the ADC vide order dt.26 July 2018 in ADC Order No.777 had granted a conditional stay



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upon the Group depositing 35% of the disputed tax, i.e., ₹ 33.70 million. In hearing of the case, ADC (CT) has dismissed the appeal vide order dated 17 June 2020. The Group filed writ petition with Hon'ble High Court of the state of Telengana on 17 August 2020 and Hon'ble High Court grant stay for all further proceedings against the ADC order dated 17 June 2020. The Group is confident that this matter will be disposed off in favour of the Group.

- ii) Intimation from Income Tax Department Under Section 143(1)(a) amounting ₹ 3.11 million (For the Assessment Year 2019-20) against the Income Tax Return Filed for FY 2018-19. Appeal has been made to IT Department against the same.
- iii) In respect of claims made by various State/Central Government Departments/Authorities towards building permission fees, penalty on diversion of agriculture land to non-agriculture use, Nala tax, water royalty etc. and by others, contingent liability of ₹ 5.89 million (Previous Year ₹ 5.89 million) has been estimated.
- iv) We have received Order from Commissioner of CGST & Central Excise, Nagpur-II Commissionerate with respect to the Non-Payment of Service Tax on Deposits of ₹ 335.01 million in Compensatory Afforestation Management and Planning Authority (CAMPA) Fund. The Order was against the Group and Department raised demand to pay the due Service Tax of ₹ 50.25 million along with interest at appropriate rate u/s 75 of the Finance Act, 1994 ("Act") as amended from time to time, penalty of ₹ 50.25 million and ₹ 0.01 million u/s 78 and 77 of the Act respectively.
- v) In respect of land acquired for the projects, the land losers have claimed higher compensation before various authorities/courts which are yet to be settled. In such cases, contingent liability of ₹ 0.01 million (Previous Year 0.01 million) has been estimated.

- b) Other contingent liabilities amount to ₹ 67.34 million (Previous Year ₹ 105.77 million) related to arbitration cases/RoW cases & land compensation cases have been estimated.

In the event of contingent claims against the Group becoming payable, the same shall be reimbursed by Power Grid Corporation of India Limited as per the Share Purchase Agreement entered with it.

45. FINANCIAL RISK MANAGEMENT

The Group's principal financial liabilities comprises of borrowings denominated in Indian rupees, trade payables and other payables. The main purpose of these financial liabilities is to finance the Group's investments and operations.

The Group's principal financial assets include trade receivables, cash and cash equivalents and other financial assets that are generated from its operations.

The Group's activities expose it to the following financial risks, namely,

- (A) Credit risk,
- (B) Liquidity risk,
- (C) Market risk.

This note presents information regarding the Group's exposure, objectives and processes for measuring and managing these risks.

The management of financial risks by the Group is summarized below: -

(A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities on account of trade receivables, deposits with banks and other financial instruments.

A default on a financial asset is when the counterparty fails to make contractual payments within 3 years of when they fall due. This definition of default is determined considering the business environment in which the Group operates and other macro-economic factors.

Assets are written-off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where such recoveries are made, these are recognized in the statement of profit and loss.

(i) Trade Receivables

The Group primarily provides transmission facilities to inter-state transmission service customers (DICs) comprising mainly state utilities owned by State Governments and the main revenue is from transmission charges. CERC (Sharing of Inter-State



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Transmission Charges and Losses) Regulations, 2020 ("CERC Sharing Regulations") allow payment against monthly bills towards transmission charges within due date i.e., 45 days from the date of presentation of the bill and levy of surcharge on delayed payment beyond 45 days. However, in order to improve the cash flows, a graded rebate is provided for payments made within due date. If a DIC fails to pay any bill or part thereof by the Due Date, the Central Transmission Utility (CTU) may encash the Letter of Credit provided by the DIC and utilise the same towards the amount of the bill or part thereof that is overdue plus Late Payment Surcharge, if applicable.

Trade receivables consist of receivables relating to transmission services of ₹ 3,282.01 million as on 31 March 2023 (₹ 3,353.73 million as on 31 March, 2022).

(ii) Other Financial Assets (excluding trade receivables)

a) Cash and cash equivalents

The Group held cash and cash equivalents of ₹ 4,994.87 million as on 31 March 2023 (₹ 5,268.59 million as on 31 March 2022). The cash and cash equivalents are held with reputed commercial banks and do not have any significant credit risk.

(iii) Exposure to credit risk

₹ in million

Particulars	As at 31 March 2023	As at 31 March 2022
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Cash and cash equivalents	4,994.87	5,268.59
Balances with banks and financial institutions	123.14	1.74
Other current financial assets	32.01	39.81
Total	5,150.02	5,310.14
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	3,282.01	3,353.73

(iv) Provision for expected credit losses

- (a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The Group has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. At initial recognition, financial assets (excluding trade receivables) are considered as having negligible credit risk and the risk has not increased from initial recognition. Therefore, no loss allowance for impairment has been recognized.

- (b) Financial assets for which loss allowance is measured using life time expected credit losses

The Group has customers most of whom are state government utilities with capacity to meet the obligations and therefore the risk of default is negligible. Further, management believes that the unimpaired amounts that are 30 days past due date are still collectible in full, based on the payment security mechanism in place and historical payment behavior.

Considering the above factors and the prevalent regulations, the trade receivables continue to have a negligible credit risk on initial recognition and thereafter on each reporting date.

(B) Liquidity Risk

Liquidity risk management implies maintaining sufficient cash and marketable securities for meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Group requires funds for short term operational needs as well as for servicing of financial obligation under term loan. The Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimize these risks by generating sufficient cash flows from its current operations.

Maturities of financial liabilities

The table below analyses the Trust's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.



Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

The amount disclosed in the table is the contractual undiscounted cash flows.

₹ in million

Contractual maturities of financial liabilities	Within a year	Between 1-5 years	Beyond 5 years	Total
As at 31 March 2023				
Borrowings (including interest outflows)	507.45	2,080.23	9,289.62	11877.30
Trade Payables	6.68	-	-	6.68
Other financial liabilities	244.94	-	-	244.94
Total	759.07	2,080.23	9,289.62	12,128.92
As at 31 March 2022				
Borrowings (including interest outflows)	359.12	1,475.51	8,492.87	10,327.50
Trade Payables	2.76	-	-	2.76
Other financial liabilities	214.59	0.05	-	214.64
Total	576.47	1,475.56	8,492.87	10,544.90

(C) MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk:

- (i) Currency risk
- (ii) Interest rate risk
- (iii) Equity price risk

(i) Currency risk

As on Reporting date the Group does not have any exposure to currency risk in respect of foreign currency denominated loans and borrowings and procurement of goods and services.

(ii) Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group's exposure to interest rate risk due to variable interest rate borrowings is as follows:

₹ in million

Particulars	Amount	Impact on profit / loss before tax for the year due to Increase or decrease in interest rate by 50 basis points
As at 31 March 2023		
Term Loan from Bank	5,727.07	28.73
As at 31 March 2022		
Term Loan from Bank	5,755.85	0.09

(iii) Equity price risk

The Group does not have any investments in equity shares which may be subject to equity price risk.



Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

46. CAPITAL MANAGEMENT

Group's objectives when managing capital are to

- maximize the unitholder value;
- safeguard its ability to continue as a going concern;
- maintain an optimal capital structure to reduce the cost of capital.

For the purpose of Group's capital management, unit capital includes issued unit capital and all other reserves attributable to the unitholders of the Trust. Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, Group may adjust the distribution to unitholders (subject to the provisions of InvIT regulations which require distribution of at least 90% of the net distributable cash flows of the Trust to unitholders), return capital to unitholders or issue new units. The Group monitors capital using a gearing ratio, which is the ratio of Net Debt to total Equity plus Net Debt. The Group's policy is to keep the gearing ratio optimum. The Group includes within Net Debt, interest bearing loans and borrowings and current maturities of long term debt less cash and cash equivalents.

The gearing ratio of the Group was as follows:

Particulars	As at	As at
	31 March 2023	31 March 2022
(a) Long term debt (₹ in million)	5,727.07	5,755.85
(b) Less: Cash and cash equivalents	4,994.87	5,268.59
(c) Net Debt (a-b)	732.20	487.26
(d) Total Equity (₹ in million) *	77,064.89	89,936.26
(e) Total Equity plus net debt (₹ in million) (c+d)	77,797.09	90,423.52
(f) Gearing Ratio (c/e)	0.94%	0.54%

*Total Equity includes unit capital and other equity.

The Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

Distributions

Particulars	₹ in million
Distributions made during the year ended 31 March 2023 of ₹ 12.00 per unit (Comprising Taxable Dividend – ₹ 2.37, Exempt Dividend – ₹ 1.01, Interest – ₹ 7.86, Repayment of SPV Debt – ₹ 0.73 and Treasury Income – ₹ 0.03)	10,919.99
Distributions made during the year ended 31 March 2022 of ₹ 7.50 per unit (Comprising Taxable Dividend – ₹ 1.68, Exempt Dividend – ₹ 0.80, Interest – ₹ 5.01 and Treasury Income – ₹ 0.01)	6,824.99

Distribution not recognized at the end of the reporting period:

In addition to above distribution, the Board of Directors of POWERGRID Unchahar Transmission Limited in its capacity as the Investment Manager to POWERGRID Infrastructure Investment Trust ("PGInvIT") on 25 May 2023 recommended distribution related to last quarter of FY 2022-23 of ₹ 3.00 per unit.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

47. INCOME TAX EXPENSE

This note provides an analysis of the group's income tax expense, and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax position.

(a) Income tax expense

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current Tax		
Current tax on profits for the year	210.15	245.96
Adjustments for current tax of prior periods		-
Total current tax expense (A)	210.15	245.96
Deferred Tax Expense		
Origination and reversal of temporary differences	(2,142.95)	396.60
Previously unrecognized tax credit recognized as Deferred Tax Asset this year	-	-
Total deferred tax expense /benefit (B)	(2,142.95)	396.60
Income tax expense (A+B)	(1,932.80)	642.56

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before income tax expense including movement in Regulatory Deferral Account Balances	(6,396.90)	5,275.70
Tax at the Group's domestic tax rate	(3,195.43)	1,654.91
Tax effect of:		
Impact of exemption u/s 10(23FC) of the Income Tax Act, 1961	3,962.57	(664.29)
Deferred Tax Expense/(Income)	(2,142.95)	396.60
Minimum alternate tax adjustments	(99.94)	(145.46)
Tax Adjustments on accounting profit	(457.05)	(599.20)
Income tax expense	(1,932.80)	642.56

(c) MAT Credit / Current Tax

As Group have option to avail MAT credit in future against Income Tax payable and hence MAT paid during earlier and in current year are carried forward.

48. DISCLOSURES PURSUANT TO IND AS 103 "BUSINESS COMBINATIONS"

i) Acquisition of subsidiaries

During the financial year ended 31 March 2023, the Trust has not acquired any assets.

Pursuant to the Share Purchase Agreements dated 22 April 2021, the Trust acquired 74% of equity stake of the VTL, PKATL, PPTL, PWTL and PJTL on 13 May 2021, the acquisition date, for an equity consideration of ₹ 41,065.09 million.

Accordingly, the financial statements of the aforesaid subsidiaries for the period 13 May 2021 to 31 March 2022 have been considered in the consolidated financial statements of the Group. The funding for the said acquisition was raised through public issue of units of the Trust. The Group has carried out a fair valuation of the net assets of the SPVs and accordingly the goodwill /gain from bargain purchase has been recorded in the consolidated financial statements.



Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

ii) Assets acquired and liabilities recognised on the date of acquisition were as follows

₹ in million

Particulars	VTL	PKATL	PPTL	PWTL	PJTL	Total
Non current assets						
Property, Plant and Equipment	22,445.45	4,543.18	25,604.15	28,322.65	20,009.33	1,00,924.76
Capital Work-in-Progress	-	58.71	-	29.46	-	88.17
Other Intangible Assets	-	5.74	129.28	604.64	924.56	1,664.22
Other Non-Current Assets	0.15	67.19	201.42	235.17	122.08	626.01
	22,445.60	4,674.82	25,934.85	29,191.92	21,055.97	1,03,303.16
Current assets						
Inventories	108.07	-	46.60	57.52	97.74	309.93
Trade Receivables	543.15	120.25	590.59	485.40	446.81	2,186.20
Cash and Cash Equivalents	496.96	91.06	609.54	449.67	513.41	2,160.64
Other Current Financial Assets	173.34	45.23	466.82	720.08	156.48	1,561.95
Other Current Assets	54.94	20.55	40.30	45.10	25.13	186.02
	1,376.46	277.09	1,753.85	1,757.77	1,239.57	6,404.74
Total Assets	23,822.06	4,951.91	27,688.70	30,949.69	22,295.54	1,09,707.90
Non current liabilities						
Borrowings	7,839.88	1,860.00	13,005.00	15,400.00	11,829.95	49,934.83
Deferred Tax Liabilities (Net)	320.22	276.56	1,046.70	1,157.94	523.99	3,325.41
	8,160.10	2,136.56	14,051.70	16,557.94	12,353.94	53,260.24
Current liabilities						
Trade Payables	5.27	0.52	3.67	3.99	0.06	13.51
Other Current Financial Liability	0.23	80.70	222.50	425.27	161.39	890.09
Other Current Liabilities	2.20	0.46	6.44	6.24	3.76	19.10
Provisions	0.04	-	0.12	0.14	0.54	0.84
Current Tax Liabilities (Net)	30.76	-	-	-	-	30.76
	38.50	81.68	232.73	435.64	165.75	954.30
Total Liabilities	8,198.60	2,218.24	14,284.43	16,993.58	12,519.69	54,214.54
Net Assets at Fair Value	15,623.46	2,733.67	13,404.27	13,956.11	9,775.85	55,493.36

iii) Calculation of Goodwill / (Capital Reserve)

₹ in million

Particulars	VTL	PKATL	PPTL	PWTL	PJTL	Total
Purchase consideration	11,561.36	2,022.92	9,919.16	10,327.52	7,234.13	41,065.09
Less: 74% of Net Assets at Fair Value	11,561.36	2,022.92	9,919.16	10,327.52	7,234.13	41,065.09
Goodwill on acquisition	-	-	-	-	-	-
Goodwill on account of DTL arising due to acquisition	2,573.30	463.29	2,405.76	2,350.97	1,782.59	9,575.91
Goodwill on Business Acquisition	2,573.30	463.29	2,405.76	2,350.97	1,782.59	9,575.91

49. DISCLOSURE AS PER IND AS 115 - "REVENUE FROM CONTRACTS WITH CUSTOMER"

- a) The Group does not have any contract assets or contract liability as at 31st March 2023 and 31 March 2022.
- b) The entity determines transaction price based on expected value method considering its past experiences of refunds or significant reversals in amount of revenue. In estimating significant financing component, management considers the financing element inbuilt in the transaction price based on imputed rate of return. Reconciliation of Contracted Price vis-a-vis revenue recognized in profit or loss statement is as follows:

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Contracted price	12,500.76	11,825.56
Add/ (Less)- Discounts/ rebates provided to customer	(59.68)	(46.36)
Add/ (Less)- Performance bonus	417.26	394.19
Add/ (Less)- Adjustment for significant financing component	-	-
Add/ (Less)- Other adjustments	(0.49)	-
Revenue recognized in profit or loss statement	12,857.85	12,173.39



Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

Project wise break up of revenue from contracts with Customers

₹ in million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Vizag Transmission Limited	2,416.07	2,604.51
POWERGRID Kala Amb Transmission Limited	689.51	626.98
POWERGRID Parli Transmission Limited	3,361.11	2,975.01
POWERGRID Warora Transmission Limited	3,752.44	3,324.77
POWERGRID Jabalpur Transmission Limited	2,638.72	2,642.12
TOTAL	12,857.85	12,173.39

50. OTHER INFORMATION

- The Group does not hold benami property and no proceeding has been initiated or pending against the any entity of the Group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder as at the end of the financial year.
- The Group does not have any transactions with struck off companies.
- Any entity of the Group was not declared as a willful defaulter by any bank or financial Institution or other lender during the financial year.
- Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year	Variance (%)	Reason for variance >25%
(a) Current Ratio	Current Assets	Current Liabilities	29.08	33.48	(13.14)	-
(b) Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.07	0.06	16.67	-
(c) Debt Service Coverage Ratio	Profit for the period before tax+ Depreciation and amortization expense + Finance costs+ Impairment	Interest & Lease Payments + Principal Repayments	27.68	12,666.88	(99.78)	The loan was availed on 31 March 2022. Hence interest included in last year was for one day only.
(d) Interest Service Coverage Ratio	Earnings before Interest, Depreciation, Impairment and Tax	Interest & Finance Charges net of amount transferred to expenditure during construction	29.60	12,666.88	(99.77)	The loan was availed on 31 March 2022. Hence interest included in last year was for one day only.
(e) Return on Equity Ratio	Profit for the period after tax	Average Shareholder's Equity	(0.05)	0.09	(155.56)	Due to higher Impairment in Current Year.
(f) Inventory turnover ratio	Revenue from Operations	Average Inventory	41.72	78.98	(47.18)	Due to NIL Inventory as on 01 April 2021.
(g) Trade Receivables turnover ratio	Revenue from Operations	Average Trade Receivables excluding unbilled revenue (before deducting provision)	7.80	14.84	(47.44)	Due to NIL Trade Receivables as on 01 April 2021.
(h) Trade payables turnover ratio	Gross Other Expense (-) FERV, Provisions, Loss on disposal of PPE	Average Trade payables	185.98	563.36	(66.99)	Due to NIL Trade Receivables as on 01 April 2021
(i) Net capital turnover ratio	Revenue from Operations	Current Assets – Current Liabilities	1.49	1.38	7.97	-
(j) Net profit ratio	Profit for the period after tax	Revenue from Operations	(0.35)	0.38	(192.11)	Due to higher Impairment in Current Year
(k) Return on Capital employed	Earnings before interest and taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability	(0.06)	0.05	(220.00)	Due to higher Impairment in Current Year
(l) Return on Investment	Interest from Investment	Average Investments	NA	NA	NA	-



Notes

to the Consolidated Financial Statements for the year ended March 31, 2023

- e) The Group has not received/advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) through Intermediaries during the financial year.
- f) The Group does not have any transaction that was not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- g) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

51. IMPACT OF COVID – 19

The Group is mainly engaged in the business of transmission of electricity and earns revenue pursuant to the long-term transmission service agreements (TSAs) with designated Inter-state customers. In addition, maintaining the availability of the assets in excess of 98% gives the right to claim incentives under the respective TSAs.

There has been no material impact on the operations or profitability of the subsidiaries during the financial year due to the COVID-19 pandemic.

However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration. The Group will continue to monitor any material changes to future economic conditions.

52. RECENT PRONOUNCEMENTS

On 31 March 2023, Ministry of Corporate Affairs (“MCA”) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2023 applicable from 01 April 2023. The Trust will assess and implement the amendments in the FY 2023-24, as applicable.

53. OTHER NOTES

- a) Figures have been rounded off to nearest rupees in million up to two decimals.
- b) Previous year figures have been regrouped/ rearranged wherever considered necessary

As per our report of even date

For S.K.Mittal & Co.

Chartered Accountants
FRN: 001135N

(CA Gaurav Mittal)

Membership Number: 099387
Place: New Delhi

Date: 25 May 2023

For and on behalf of Board of Directors of POWERGRID Unchahar Transmission Limited in the capacity as Investment Manager to POWERGRID Infrastructure Investment Trust.

Anjana Luthra
Company Secretary
PAN: ABYPL2312H
Place: Gurugram

Abhay Choudhary
Chairman
DIN: 07388432
Place: Gurugram

Purshottam Agarwal
Director
DIN: 08812158
Place: Gurugram

Sanjay Sharma
CEO
PAN: AENPS3382J
Place: Gurugram

Amit Garg
CFO
PAN: ACSPG1833F
Place: Gurugram

Glossary

AI	Artificial Intelligence
AUM	Assets Under Management
BOOM	Build-Own-Operate-Maintain
BSE	Bombay Stock Exchange
BU	Billion Units
CAGR	Compound Annual Growth Rate
CARE	CARE Ratings Limited
CERC	Central Electricity Regulatory Commission
CGU	cash-generating unit
ckm	circuit kilometer
COD	Commercial Operation Date
CPSE	Central Public Sector Enterprise
CRISIL	CRISIL Ratings Limited
CSR	Corporate Social Responsibility
CTUIL	Central Transmission Utility of India Ltd
CWIP	Capital Work-In-Progress
D/C	Double Circuit
DCF	Discounted Cash Flow
DIC	Designated ISTS Customers
DPU	Distribution Per Unit
DSRA	Debt Service Reserve Account
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
ECL	Expected Credit Loss
EPU	Earnings per Unit
ESG	Environment, Social and Governance
Final Offer Document	Final Offer Document of PGINVIT dated May 6, 2021
FVOCI	Fair Value in Other Comprehensive Income
FY	Financial Year
Gol	Government of India
GW	Gigawatt
ICRA	ICRA Limited
IM	Investment Manager
IMT Ghaziabad	Institute of Management Technology, Ghaziabad
Ind AS	Indian Accounting Standards
InSTS	Intra-State Transmission System
InvIT	Infrastructure Investment Trust
InvIT Regulations or SEBI InvIT Regulations	SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended
IPA	Initial Portfolio Asset
IPO	Initial Public Offer

ISTS	Inter State Transmission System
ITSL	IDBI Trusteeship Services Limited
kV	kilovolt
LILO	Loop-In-Loop-Out
MD&A	Management Discussion and Analysis
ML	Machine Learning
MSEDCL	Maharashtra State Electricity Distribution Company Limited
MSME	Micro, Small and Medium Enterprises
MVA	Mega Volt Ampere
NAV	Net Asset Value
NDCF	Net Distributable Cash Flows
NIT	National Institute of Technology
NMP	National Monetisation Pipeline
NSE	National Stock Exchange
NTPC	NTPC Limited
O&M	Operation & Maintenance
OPGW	Optical Ground Wire
PAT	Profit After Tax
PGInvIT	POWERGRID Infrastructure Investment Trust
PJTL	POWERGRID Jabalpur Transmission Limited
PKATL	POWERGRID Kala Amb Transmission Limited
POWERGRID	Power Grid Corporation of India Limited
PPTL	POWERGRID Parli Transmission Limited
PSU	Public Sector Undertaking
PUTL	POWERGRID Unchahar Transmission Limited
PVTL	POWERGRID Vizag Transmission Limited
PWTL	POWERGRID Warora Transmission Limited
RBI	Reserve Bank of India
RE	Renewable Energy
REIT	Real Estate Investment Trust
ROU	right-of-use
RoW	Right of Way
RPC	Regional Power Committee
Rupees or ₹	The Indian Rupee
SEBI	Securities and Exchange Board of India
SPV	Special Purpose Vehicle
TBCB	Tariff-Based Competitive Bidding
TDS	Tax Deducted at Source
Trust	POWERGRID Infrastructure Investment Trust
TSA	Transmission Service Agreement
WACC	Weighted Average Cost of Capital

DISCLAIMER

This report is prepared for the consumption of the unitholders of POWERGRID Infrastructure Investment Trust (“PGInvIT”) pursuant to the Securities and Exchange Board of India (Infrastructure Investment Trusts), 2014, as amended, and issued by POWERGRID Unchahar Transmission Limited (the “Investment Manager”) in its capacity as the Investment Manager of PGInvIT. This report (a) is for information purposes only without regards to specific objectives, financial situations or needs of any particular person, (b) should not be construed as legal, tax, investment or other advice, (c) should not be considered as a prospectus, an offer/offer document, an advertisement or a recommendation to any person to purchase/subscribe to any units or any other securities / instruments issued or proposed to be issued by PGInvIT, and (d) should not be disclosed, reproduced, retransmitted, summarized, distributed or furnished, in whole or in part, to any other person or persons.

We do not assume responsibility to publicly amend, modify or revise any statements in the Report on the basis of any subsequent development, information or events, or otherwise. No representation, warranty or undertaking, express or implied, is made or assurance given that any statements, opinions, views, projections or forecasts, if any, are correct or that any objectives specified herein will be achieved. Neither we, nor any of our affiliates, as such, make any representation or warranty, express or implied, as to, and do not accept any responsibility or liability with respect to, any loss, howsoever, arising from any use or reliance on this Report or its content or otherwise arising in connection therewith.

This report comprises information given in summary form and does not purport to be complete and it cannot be guaranteed that such information is true and accurate. The information contained herein is only current as of the date specified herein, has not been independently verified and is subject to change without notice and past performance is not indicative of future results. Unless otherwise stated in this report, the information contained herein is based on management information and estimates. This report includes statements that are, or may be deemed to be, “forward-looking statements”. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance including those relating to general business plans and strategy, future outlook and growth prospects, and future developments in its businesses and its competitive and regulatory environment. In addition to statements which are forward looking by reason of context, the words ‘may’, ‘will’, ‘should’, ‘expects’, ‘plans’, ‘intends’, ‘anticipates’, ‘believes’, ‘estimates’, ‘predicts’, ‘potential’ or ‘continue’ and similar expressions identify forward- looking statements. Any projection of future income or performance should be viewed merely as a fair estimate of the management of PGInvIT, which may be dependent on several factors and in no manner should be construed as an indication of its reflection in the market price of units or any other securities / instruments issued or proposed to be issued by PGInvIT.

Any recipient of this report will be solely responsible for their own assessment of the market and the market position of PGInvIT and the recipient will conduct their own analysis/assessment of the relevance, accuracy and adequacy of the information contained in this report and must make such independent investigation as you may consider necessary or appropriate for such purpose and be solely responsible for forming their own view of the potential future performance of the business of PGInvIT.

Furthermore, no person is authorized to give any information or make any representation which is not contained in, or is inconsistent with, this report. Any such extraneous or inconsistent information or representation, if given or made, should not be relied upon as having been authorized by or on behalf of PGInvIT or the Investment Manager on behalf of PGInvIT.

The distribution of this report in certain jurisdictions may be restricted by law. Accordingly, any persons in possession of this report should inform themselves about and observe any such restrictions.



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Annexures
to
Annual Report
FY2022-23



Valuation Report: POWERGRID Infrastructure Investment Trust

Fair Value: Transmission Assets Portfolio

Valuation Date: March 31st, 2023



INMABS

L&B | P&M | SFA | VALUERS

STRICTLY CONFIDENTIAL

Date: May 17th, 2023

To
POWERGRID Unchahar Transmission Limited,
Investment Manager,
POWERGRID Infrastructure Investment Trust,
Plot No.2, Sector – 29,
Gurugram, Haryana
122001, India

Subject: Annual Report on Fair value of Transmission Assets Portfolio of POWERGRID Infrastructure Investment Trust as per SEBI (Infrastructure Investment Trusts) Regulations, 2014 as amended.

This is in reference to our engagement wherein INMACS Valuers Private Limited (appointed registered valuer, hereinafter referred to as 'We', 'INMACS' or 'Valuer') has been appointed as independent valuer for POWERGRID Infrastructure Investment Trust vide letter of award dated August 01st, 2022 bearing reference no. 5006003197/OTHERS/DOM/A02-CC CS-3/NOA/01 in pursuance of provisions of Regulation 21 of the SEBI (Infrastructure Investment Trust) Regulations, 2014.

As per provisions of Regulation 21(4) of the SEBI (Infrastructure Investment Trust) Regulations, 2014:

"A full valuation shall be conducted by the valuer not less than once in every financial year: Provided that such full valuation shall be conducted at the end of the financial year ending March 31st within two months from the date of end of such year."

In this regard, the Investment Manager and the Trustee intend to undertake the fair valuation of the transmission asset portfolio (hereinafter also referred to as 'Specified SPVs' collectively) as on March 31st, 2023.

INMACS Valuers is a registered valuer entity registered vide IBBI/RV-E/02/2021/141 with Insolvency and Bankruptcy Board of India (IBBI) providing valuation for following asset classes:

- (i) Securities and Financial Assets
- (ii) Land and Building
- (iii) Plant and Machinery

INMACS Valuers is a member of IOV Registered Valuer Foundation (IBBI Registration Number: IBBI/RVO/2017/002) for all the classes listed above in pursuance of Section 247 of Companies Act, 2013 read with Companies (Registered Valuers and Valuation) Rules, 2017.

We are pleased to submit this report outlining the scope, procedures, significant considerations, short description of methodology used and the valuation analysis/results. This report has been prepared only for the purpose stated herein and should not be relied for any other purpose.

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The valuation analysis is based on information provided by the Management or obtained from sources as indicated in the report. Our work did not constitute an audit or an examination of internal controls or other attestation or review services. Accordingly, we do not express an opinion on the information presented. Further, the report is based on projections prepared by the Management. We express no opinion as to how closely the actual results achieved will correspond to those predicted for the business and we shall not be responsible or liable for the achievement of predicted results. Our valuation analysis should not be construed as investment advice specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with POWERGRID Infrastructure Investment Trust.

By its very nature, valuation analysis cannot be regarded as an exact science and the conclusions arrived at are subject to individual judgement and, therefore, there is, no indisputable single value. Although the conclusions are in our opinion reasonable and defensible, others might wish to argue for different values.

Our valuation and conclusion are included herein, and our Report complies with the SEBI (Infrastructure Investment Trust) Regulations, 2014 and guidelines, circular or notification issued by SEBI there under.

This letter, the Report and the summary of valuation included herein can be provided to Investment Manager's advisors and may be made available for the inspection to the public including but not limited to Unitholders, as a material document and with the Securities and Exchange Board of India, the stock exchanges and any other regulatory and supervisory authority, as may be required.

The valuation methodologies and approaches adopted by us are widely recognised and used. They are in compliance with Valuation standards issued by The Institute of Chartered Accountants of India and International Valuation Standards issued by International Valuation Standards Council (IVSC) and are accepted across India and internationally.

We would also like to record appreciation for the courtesy and co-operation received during the course of our work and look forward to continuing professional association.

For **INMACS Valuers Private Limited**
IBBI Reg. No: **IBBI/RV-E/02/2021/141**



Vaibhav Jain
Director – Securities and Financial Assets
IBBI Reg No. - IBBI/RV/06/2018/10016
B.Com (Hons.), FCA, ACS, LLB,
MBF (ICAI), FAFD (ICAI),
Registered Valuer (S&FA),
Certified Independent Director (IICA)
Valuation Reference No. (VRN):
IOVRVF/IMV/2023-2024/1925

ICAI Membership No: 515700
UDIN: 23515700BGVXTW1577

Date: May 17th, 2023
Place: New Delhi

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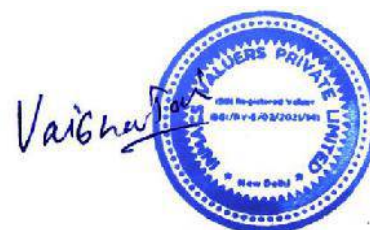


Abbreviations

S.No	Abbreviations	Words/ phrases
1	APTEL	Appellate Tribunal for Electricity
2	Beta/ (β)	Beta
3	CCIL	Clearing Corporation of India Limited
4	CERC	Central Electricity Regulatory Commission
5	Ckm	Circuit Kilometres
6	COD	Commercial Operation Date
7	CPSE(s)	Central Public Sector Enterprise(s)
8	CSR	Corporate Social Responsibility
9	CTU	Central Transmission Utility
10	D/E	Debt Equity Ratio
11	DCF	Discounted Cash Flow
12	DOCO	Date of Commercial Operation
13	FCFF	Free Cash Flow to Firm
14	FIMMDA	Fixed Income Money Market and Derivatives Association of India
15	FIs	Financial Institutions
16	FY	Financial Year
17	G-Sec	Government Securities
18	GOI	Government of India
19	H.P.	Himachal Pradesh
20	IBBI	Insolvency and Bankruptcy Board of India
21	ICAI VS	ICAI Valuation Standards, 2018
22	Inc.	Incorporation
23	InvIT	Infrastructure Investment Trust
24	IPO	Initial Public Offer
25	ISTS	Inter-State Transmission System
26	IVS	International Valuation Standard
27	IVSC	International Valuation Standards Council
28	Kd	Cost of Debt
29	Ke	Cost of Equity
30	kV	Kilo Volts
31	LILO	Loop In, Loop Out
32	LTTC	Long Term Transmission Customer
33	Mn	Millions
34	MVA	Mega Volt Ampere
35	NAV	Net Asset Value
36	NOC	No Objection Certificate
37	NOPAT	Net Operating Profit after Tax
38	NRSS	Northern Region Strengthening Scheme
39	O&M Expenses	Operations & Maintenance Expenses
40	PGCIL	Power Grid Corporation of India Limited



S.No	Abbreviations	Words/ phrases
41	PGInvIT or Trust	POWERGRID Infrastructure Investment Trust
42	PJTL	POWERGRID Jabalpur Transmission Limited
43	PKATL	POWERGRID Kala Amb Transmision Limited
44	PM Expenses	Project Manager Expenses
45	PPTL	POWERGRID Parli Transmission Limited
46	PSU	Public Sector Undertaking
47	PUTL	POWERGRID Unchahar Transmission Limited
48	PV	Present Value
49	PWTL	POWERGRID Warora Transmission Limited
50	Rf	Riskfree Rate
51	Rm-Rf or ERP	Equity or Market Risk Premium
52	RPC(s)	Regional Power Committee(s)
53	RTM	Regulated Tariff Mechanism
54	SEBI	Securities and Exchange Board of India
55	SPV	Special Purpose Vehicle
56	TBCB	Tariff Based Competitive Bidding
57	TSA	Transmission Service Agreement
58	VTL	Vizag Transmission Limited (formerly known as POWERGRID Vizag Transmission Limited)
59	WACC	Weighted Average Cost of Capital
60	W_d	Debt Weight
61	WDV	Written Down Value
62	W_e	Equity Weight
63	We, INMACS or Valuer	INMACS Valuers Private Limited
64	YearFrac	Fraction of the year represented by the number of whole days between two dates

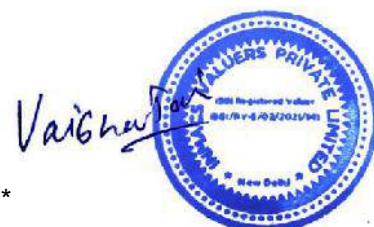


Executive Summary

A. General Information

Scope	Report on Fair value of Transmission Assets Portfolio of POWERGRID Infrastructure Investment Trust
Regulations	Regulation 21(4) of SEBI (Infrastructure Investment Trusts) Regulations, 2014 as amended.
Valuation date	March 31 st , 2023
Appointed by	POWERGRID Unchahar Transmission Limited, Investment Manager to POWERGRID Infrastructure Investment Trust
Report date	May 17 th , 2023
Registered valuer	INMACS Valuers Private Limited CIN- U74110DL2017PTC379980 IBBI/RV/06/2018/10016 Vaibhav Jain – Director, RV – Securities or Financial Assets IBBI/RV/06/2018/10016
Board - INMACS Valuers Private Limited	V.S Yadav – Director, RV – Land and Building IBBI/RV/05/2020/13568 Rahul Dwarkadas Bajaj – Director, RV – Plant and Machinery IBBI/RV/10/2019/12484
Valuation reference number	IOVRVF/IMV/2023-2024/1925
Transmission assets portfolio as on date of valuation ('Specified SPVs')	Vizag Transmission Limited ('VTL'), formerly known as POWERGRID Vizag Transmission Limited. POWERGRID Kala Amb Transmission Limited ('PKATL') POWERGRID Parli Transmission Limited ('PPTL') POWERGRID Warora Transmission Limited ('PWTL') POWERGRID Jabalpur Transmission Limited ('PJTL')

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Inc. Date: August 05, 2014

COD: July 10, 2018

**POWERGRID Warora
Transmission Limited**

- Established to setup Transmission system associated with Gadawara STPS (2x800 MW) of NTPC (Part-A)
- Transmission lines length: 1,028.11 ckm
 - > 765 kV D/C line of 204.47 ckm from Gadawara to Jabalpur in Madhya Pradesh (MP), including interim arrangement
 - > 765 kV D/C line of 627.35 ckm from Gadawara (MP) to Warora (Maharashtra)
 - > Two 400 kV D/C lines comprising LILO of both circuits of 400 kV D/C Wardha-Parli (PG) line aggregating 196.29 ckm from LILO point of 400 kV D/C Quad Wardha-Parli transmission line to Warora pooling station
- In addition, the project includes one 765/400 kV substation of an aggregate transformation capacity of 3,000 MVA in Warora (Maharashtra)

Inc. Date: August 14, 2014

COD: January 1, 2019

**POWERGRID Jabalpur
Transmission Limited**

- Established to setup Transmission system strengthening associated with Vindhyachal-V
- Transmission lines length: 745.05 ckm
 - > 765 kV D/C line from Vindhyachal to Jabalpur in Madhya Pradesh.



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C. Valuation Summary

Particulars	Vizag Transmission Limited	POWERGRID Kala Amb Transmission Limited	POWERGRID Parli Transmission Limited	POWERGRID Warora Transmission Limited	POWERGRID Jabalpur Transmission Limited
Equity Shareholding – PGInvIT	100%	74%	74%	74%	74%
Valuation Approach	Income Approach	Income Approach	Income Approach	Income Approach	Income Approach
Valuation Method	Discounted Cash Flows Method	Discounted Cash Flows Method	Discounted Cash Flows Method	Discounted Cash Flows Method	Discounted Cash Flows Method
Discount Rate – WACC	9.01%	9.01%	9.01%	9.01%	9.01%
Enterprise Value (₹ Million)	18,695.45	3,798.98	21,745.77	23,913.93	17,303.79
Equity Value (₹ Million)	11,091.91	2,045.02	9,238.46	8,511.47	5,456.86
No. of equity shares outstanding (No. in Million)	209.73	61.00	322.10	393.30	226.91
Value per equity share (₹/share)	52.89	33.52	28.68	21.64	24.05
Value of Equity Shareholding – PGInvIT (₹ Million)	11,091.91	1,513.31	6,836.46	6,298.49	4,038.08

This executive summary should be read in conjunction with the following full report and not in isolation.



1. Background, Purpose and Appointment

POWERGRID Infrastructure Investment Trust (hereinafter referred to as 'PGInvIT' or "Trust") was settled by Power Grid Corporation of India Limited (hereinafter referred to as 'PGCIL') as an irrevocable trust setup pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882.

The Trust was registered with Securities and Exchange Board of India ("SEBI") on January 7, 2021 as an infrastructure investment trust under Regulation 3(1) of the InvIT Regulations having registration number IN/InvIT/20-21/0016.

PGInvIT came out with an initial public offering of its units which opened on April 29th, 2021 and closed on May 3rd, 2021. The units were listed on NSE and BSE on May 14th, 2021 and are actively traded as on date of valuation.

As per provisions of Regulation 21(4) of the SEBI (Infrastructure Investment Trust) Regulations, 2014:

"A full valuation shall be conducted by the valuer not less than once in every financial year: Provided that such full valuation shall be conducted at the end of the financial year ending March 31st within two months from the date of end of such year."

In this regard, the Investment Manager and the Trustee intend to undertake the fair valuation of the transmission asset portfolio (hereinafter also referred to as 'Specified SPVs' collectively) as on March 31st, 2023.

We, INMACS Valuers Private Limited (hereinafter referred to as 'We', 'INMACS' or 'Valuer') have been appointed as independent valuer for POWERGRID Infrastructure Investment Trust vide letter of award dated August 01st, 2022 bearing reference no. 5006003197/OTHERS/DOM/A02-CC CS-3/NOA/01 in pursuance of provisions of the SEBI (Infrastructure Investment Trust) Regulations, 2014 by the Investment Manager to PGInvIT in consultation with the Trustee.

INMACS Valuers is a registered valuer entity registered vide IBBI/RV-E/02/2021/141 with Insolvency and Bankruptcy Board of India (IBBI) providing valuation for following asset classes:

- a) Securities and Financial Assets
- b) Land and Building
- c) Plant and Machinery

Date of valuation for the above mentioned purpose shall be **March 31st, 2023**.



2. Valuer's Pecuniary Disclosure and Independence

The Valuer has no pecuniary interest in the said Trust, its sponsor, investment manager, project manager, trustee or and any of the Companies in which the investment is made by it. The opinion expressed is free of any bias in this regard. The Valuer strictly follows the code of conduct of the Registered Valuation Organization of Insolvency and Bankruptcy Board of India (IBBI).

Furthermore, Valuer declares that:

- We are competent to undertake the financial valuation in terms of the SEBI InvIT Regulations; and
- We are an independent registered valuer entity and have prepared the Report on a fair and unbiased basis.

3. Sources of information

Our valuation exercise is based on the following information received from the Management:

- Audited Financial Statements of Specified SPVs for the period ended on March 31st, 2023.
- Investment Manager approved financial projections and business plans of Specified SPVs for the balance tenor of their Transmission Services Agreement ('TSA') (refer table below)

Specified SPV	Tenor of Transmission Service Agreement ("TSA")
Vizag Transmission Limited	31 January, 2052
POWERGRID Kala Amb Transmission Limited	11 July, 2052
POWERGRID Parli Transmission Limited	03 June, 2053
POWERGRID Warora Transmission Limited	09 July, 2053
POWERGRID Jabalpur Transmission Limited	31 December, 2053

- Copy of TSA, order for adoption of transmission charges, project implementation and management agreement, operations and maintenance agreement.
- Discussions with the Management on various issues relevant for the valuation.
- Information about the SPV's, PGINVIT available in public domain.
- Such other information and explanation as requested by us and as provided by the Management.



4. Valuation procedures

We have carried out the valuations exercise, to the extent applicable, in accordance with ICAI Valuation Standards, 2018 ("ICAI VS") issued by the Institute of Chartered Accountants of India and in concurrence with International Valuation Standards.

- ✓ We have made a thorough understanding of the structure of trust by studying the trust deed along with supporting documents.
- ✓ Analysed the Historical financial data of the Specified SPVs
- ✓ We have made an in-depth study of the financial projections and business plans prepared by management. These have additionally been validated and sanity tested.
- ✓ Held discussion with the Management to the inter-alia understand the historical and expected performance of the Specified SPVs, along with the key factors affecting the performance, through extensive discussion meetings with management
- ✓ We have considered key terms of TSA
- ✓ Drawn an analysis of the key economic and industry factors which may affect the valuation.
- ✓ Analysed the relevant information in respect of the comparable companies/ comparable transactions, available in public domain/ subscribed databases.
- ✓ Appropriate and relevant valuation approach and valuation methodology/(ies) were adopted. Furthermore they were in accordance with ICAI VS.
- ✓ Determined the Enterprise Value and Equity Value of these Specified SPVs to determine the fair value of transmission asset portfolio of the Trust.
- ✓ The detailed valuation report have been prepared after conducting virtual inspection of infrastructure projects by the valuer.



5. Economy and Industry Overview

5.1 Economy Outlook

Estimated Real GDP growth in FY 2022-23 stands at 7% and GDP growth of 6.0% to 6.8% is expected in 2023-24. The optimistic growth forecasts stem from a number of positives like the rebound of private consumption given a boost to production activity, higher Capital Expenditure (Capex), near-universal vaccination coverage enabling people to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas, as well as the return of migrant workers to cities to work in construction sites leading to a significant decline in housing market inventory, the strengthening of the balance sheets of the Corporates, a well-capitalised public sector banks ready to increase the credit supply and the credit growth to the Micro, Small, and Medium Enterprises (MSME) sector to name the major ones.

India has assumed the G20 presidency at a time when it has once again emerged as the fastest growing major economy in the world. International confidence on India's capacity to contribute constructively to reshape the global economic order is rising, even as the pace of disinflation remains less than desirable.

India is primarily a domestic demand-driven economy, with consumption and investments contributing 70% to the country's economic activity.

India has emerged as the fastest-growing major economy in the world, and is expected to be one of the top three economic powers globally over the next 10-15 years, backed by its robust democracy and strong partnerships.

For FY 2022-23, the nominal GDP is estimated at INR 272.04 trillion (US\$3.30 trillion) as against the first revised estimates of GDP for the year 2021-22 of INR 234.71 trillion (US\$2.85 trillion). Funding winter aside, India surpassed the UK to become the world's third-largest start-up economy in 2022. India has 115 unicorns with a cumulative valuation of over \$350 billion. India's total installed renewable energy capacity touched 172 GW mark by March 2023-end. The government's aim is to achieve 500 GW of installed electricity capacity from non-fossil sources by 2030.

The urban unemployment rate fell from 8.55% in January to 7.93% in February, which translates to a fall in the number of unemployed persons by around 0.73 million. In the same period, the labour participation rate in urban India inched up to about 38 per cent from 37.5 per cent. Around 1.9 million people entered the urban labour force in February. India's current account deficit (CAD) has narrowed to \$18.2 billion or 2.2 per cent of GDP in the October to December quarter (Q3FY23) from 4.4 per cent of the GDP in the quarter ending September.

India's foreign exchange reserves rose \$5.98 billion to \$578.78 billion as on March 24, 2023. Overall exports will cross \$750 billion in this financial year and India is expanding rupee trade with several countries, many of which are at an advanced stage of dialogue and finalisation.

The total FDI inflows, which includes equity inflows, re-invested earnings and other capital, declined to USD 55.27 billion during the nine months of the current fiscal year as against USD 60.4 billion in the year-ago period.

Posting 57.2 in January, the seasonally adjusted S&P Global India Services PMI[®] Business Activity Index signaled an eighteenth successive monthly rise in output. Despite falling from 58.5 in December, the latest figure remained above its long-run average (53.5) and indicated a sharp rate of growth. The Indian rupee depreciated over 11% last year against the US dollar. Capital expenditure in the 2023-24 Union Budget doubled from Rs 4.26 lakh crore (\$58.2 billion) of

actual expenditure in 2020-21 to Rs 10.01 lakh crore (\$122 billion) budgeted in 2023-24. The Government of India hopes that inflation in the year ahead will remain low at 4%.

Due to aggressive rate hike by central banks globally, foreign investors pulled out a net Rs1.22 lakh crore from the Indian equity markets. While credit growth till October this fiscal has been 8.4%, retail and corporate lending is expected to be robust in the fourth quarter, which should lead to full-year estimated credit growth of 13-15%.

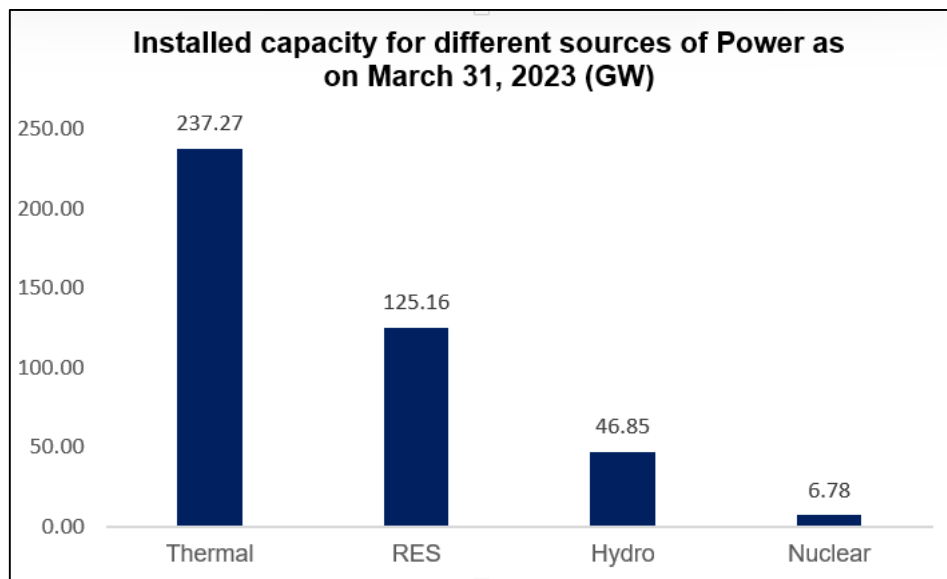
5.2 Industry Overview

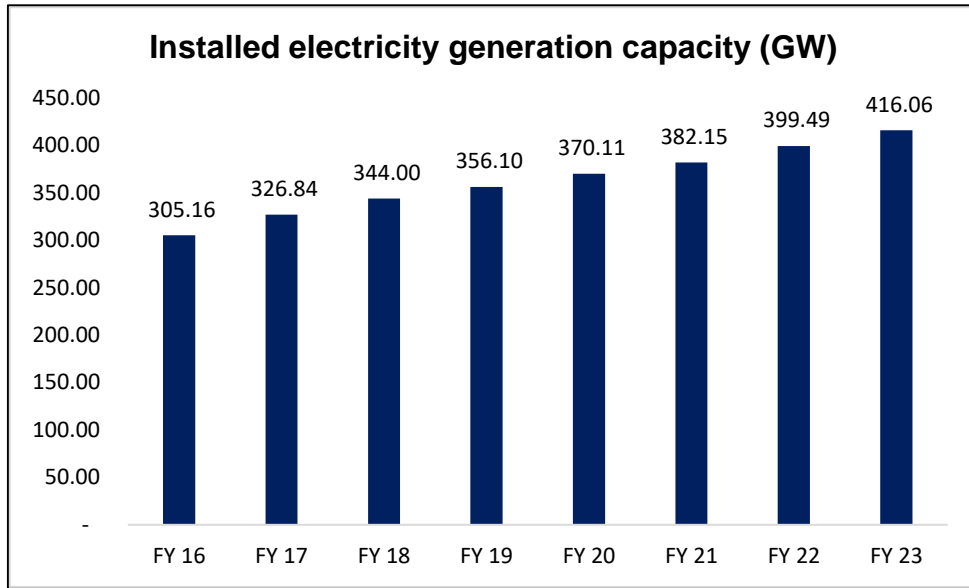
The assets/ or SPVs being subjected to valuation belongs to Transmission Sector in Power Industry in India

Power Industry

India is third largest producer and consumer of electricity in the world. Its power sector is one of the most diversified in the world, which includes power generation from conventional sources (coal, lignite, natural gas, oil, hydro and nuclear power) and non-conventional sources (wind, solar, and agricultural and domestic waste).

As on March 31st, 2023, the total installed capacity of power stations in India stood at 416.06 GW.





Installed capacity has increased steadily over the years, posting a CAGR of 3.95% between FY2016 - FY2023

The fuel-wise installed generation capacity from fossil fuels like coal, lignite, gas and diesel stood at 237.27 GW, whereas non-fossil fuels like hydro, small hydro, wind, solar, waste-to-energy and other renewable energy, including nuclear energy, contributed to 178.79 GW.

The electricity generation target (Including RE) for the year 2023-24 has been fixed as 1750 Billion Unit (BU). i.e. growth of around 7.2% over actual generation of 1624.158 BU for the previous year (2022-23). The generation during 2022-23 was 1624.158 BU as compared to 1491.859 BU generated during 2021-22, representing a growth of about 8.87%.

All India actual PLF of thermal power plants stood at 67.861% and actual PLF for nuclear power plants stood at 79.637% in March 2023.

As per the updated NDC, India now stands committed to reduce Emissions Intensity of its GDP by 45 percent by 2030, from 2005 level and achieve about 50 percent cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030.

A growing population coupled with increasing electrification and per-capita electricity usage will drive the demand for electricity, along with increased industrial activity.

Foreign Direct investment (FDI) in India's renewable energy sector stood at \$251 million (₹20.5 billion) in the third quarter (Q3) of the financial year (FY) 2023, a 46% decline compared to \$461.5 million (₹37.7 billion) in Q2 FY 2023.

For the past few quarters, the renewable energy sector has received a steady flow of FDI, with approximately \$500 million (₹40.86 billion) being invested each quarter. However, in Q1 FY 2023, the FDI inflow spurted to \$949.4 million (₹77.5 billion).

As of December 2022, the cumulative FDI in India's renewable sector was \$12.47 billion (₹1 trillion)

100% FDI allowed in the power sector has boosted FDI inflow in this sector. Electrification in the country is increasing with support from schemes like Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY), Ujwal DISCOM Assurance Yojana (UDAY), and Integrated Power Development Scheme (IPDS).



In the Union Budget 2022-23, A total of Rs.19,700 crore has been earmarked for the National Green Hydrogen Mission to help the economy shift from fossil fuels to green power. By 2030, the country is expected to have a decrease in the carbon intensity of less than 45%. The government also aims at achieving net-zero carbon emissions by 2070.

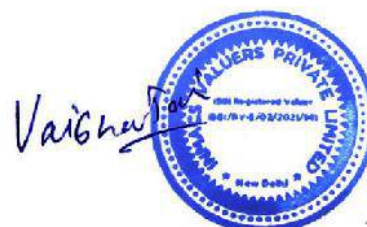
Transmission Sector

Placed critically between the generation and distribution, transmission plays a pivotal role in ensuring energy delivery to the centres of consumption. India's shift to a cleaner economy is bound to create a need for a robust grid to connect the renewable energy rich centres in the West and South to the demand centres in the North and the West. Unlike conventional thermal capacity, which requires 4-6 years for commissioning, renewables require ~2 years to develop. Consequently, pace of transmission build-out will require expediting to keep pace with the growing renewable mix. In alignment with this, the CTU in its ISTS Rolling Plan for 2027-28 (March 2023) has identified transmission schemes comprising of 41,234 ckm of transmission lines and transformation capacity of 3,82,905 MVA at estimated cost of Rs. 2,21,492 crores including planned and under-construction ISTS network. Breakup of the addition of assets to be added as per Inter-State Transmission System (ISTS) Rolling Plan for 2027-28 is as per the below schedule.

S. No.	Financial year	ckm addition	MVA addition	Estimated cost(in million)
1	2023-24	8,888	56,135	256,800
2	2024-25	10,247	98,485	360,960
3	2025-26	12,177	1,46,880	788,860
4	2026-27	7,894	74,775	538,630
5	2027-28	2,028	6,630	269,670
Total		41,234	3,82,905	2,214,920

The Transmission sector is poised for sustained growth as is visible from the above mentioned Rolling Plan of CTUIL for 2027-28. Transmission Sector growth is also evidenced from CEA's Report on Transmission System for Integration of over 500 GW RE Capacity by 2030 released in December 2022. The CEA Report estimates additional 50,890 ckm and 4,33,575 MVA respectively at an estimated cost of Rs .2,44,200 crore during the period Nov'22 to 2030. This transmission requirement corresponds to ISTS transmission schemes for (a) 66.5 GW RE capacity (excluding commissioned transmission schemes) which are under various stages of implementation and new RE capacity of about 237 GW.

Further, inter-regional transmission capacity is envisaged to grow from current 1,12,250 MW to about 1,50,000 MW in 2030.



6. About POWERGRID Infrastructure Investment Trust

POWERGRID Infrastructure Investment Trust (hereinafter referred to as 'PGInvIT' or, 'Trust') was settled by Power Grid Corporation of India Limited (hereinafter referred to as 'PGCIL') as an irrevocable trust setup pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882.

The Trust was registered with Securities and Exchange Board of India ("SEBI") on January 7, 2021 as an infrastructure investment trust under Regulation 3(1) of the InvIT Regulations having registration number IN/InvIT/20-21/0016.

The Trust has been setup to own, construct, operate, maintain and invest as an Infrastructure Investment Trust (InvIT) as permissible under SEBI InvIT Regulations, including in power transmission assets in India.

The underlying assets of the Trust presently include five inter-State Transmission System (ISTS) projects (hereinafter referred to as 'Special Purpose Vehicles' or 'SPVs') implemented under the Tariff Based Competitive Bidding (TBCB) mechanism.

Power Grid Corporation of India Limited (PGCIL), a Maharatna CPSE under Ministry of Power, Government of India is the Sponsor of PGInvIT. The Sponsor's equity shares are listed on BSE and NSE.

POWERGRID Unchahar Transmission Limited (hereinafter referred to as 'PUTL'), a wholly owned subsidiary of PGCIL has been appointed as Investment Manager to the Trust. PUTL owns and operates 106.74 ckm transmission project implemented under tariff based competitive bidding mechanism and thus, carries the experience of industry and in-depth insights about the operations of the business of the infrastructure assets which forms the part of the investment portfolio of the Trust.

Power Grid Corporation of India Limited (PGCIL) is also appointed as Project Manager in respect of the Trust.

IDBI Trusteeship Services Limited, registered with SEBI under the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 has been engaged as Trustee to the Trust.

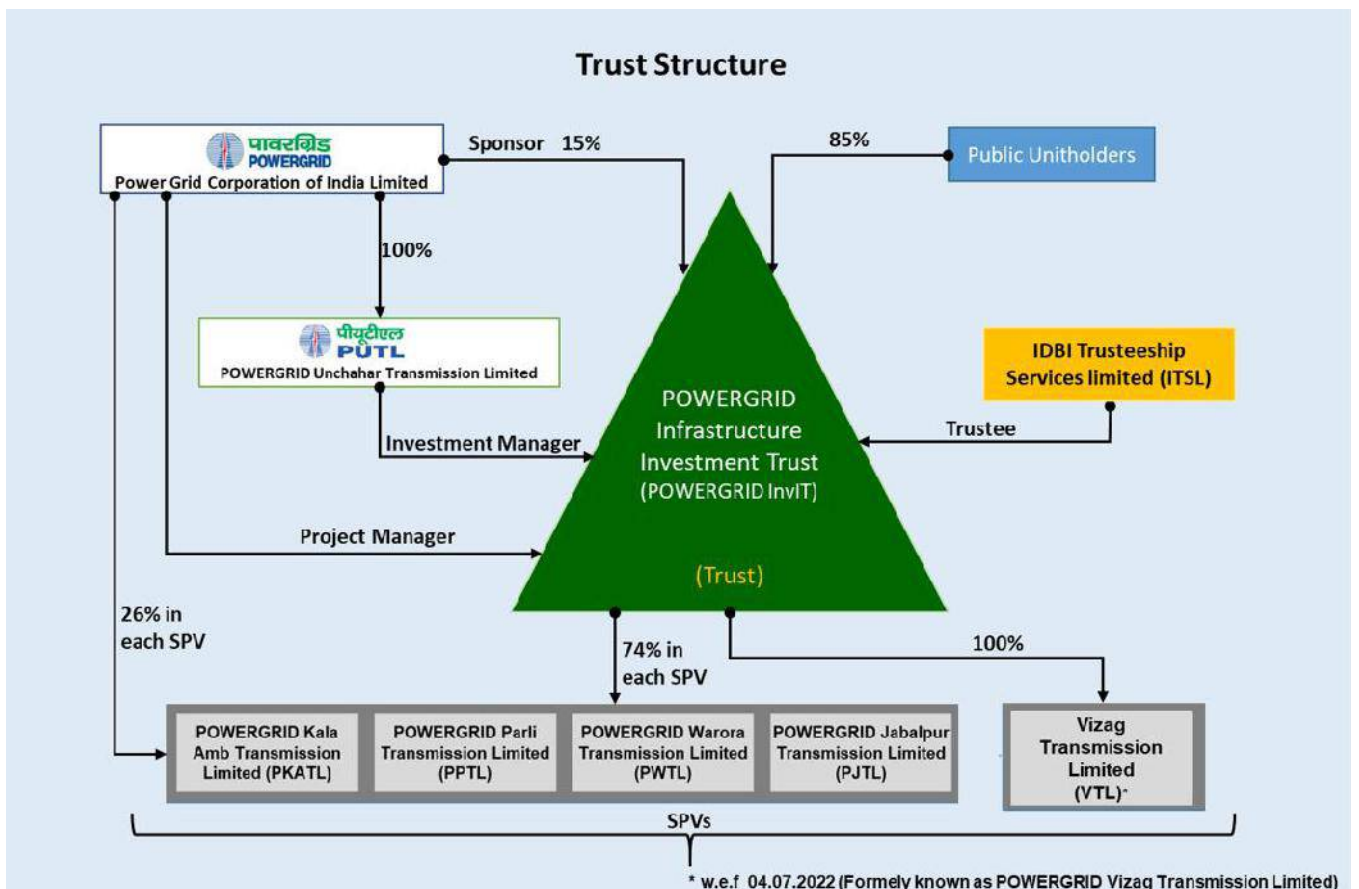


PGInvIT came out with an initial public offering of its units which opened on April 29th, 2021 and closed on May 3rd, 2021. The units were listed on NSE and BSE on May 14th, 2021 at a price of ₹104 per unit (i.e. at a premium of 4% on the issue price of ₹100 per unit.)

Tickr/ Symbol	Stock exchange	Close price	Dividend distributed till 31-March-23	Return % since issue of IPO	Market Cap (₹ millions)
543290	Bombay Stock Exchange	122.62	19.5	42.12%	1,11,584.10
PGINVIT	National Stock Exchange	122.52	19.5	42.02%	1,11,493.10

Closing Prices as on 31-March-23 *Source: BSE/NSE*

The structure of PGInvIT is as follows:



The unitholding pattern of the Trust is as follows:

Category of unit holder	No. of units held	% holding
Sponsor(s)/ Manager and their associates/related parties and Sponsor Group		
Indian	13,65,00,100	15.00
Total unitholding of Sponsor & Sponsor Group	13,65,00,100	15.00
Public holding - Institutions		
Mutual funds	5,31,70,305	5.84
Financial institutions or banks	9,80,000	0.11
Insurance companies	8,99,56,096	9.89
Provident or pension funds	6,72,52,724	7.39
Foreign portfolio investors	20,14,77,647	22.14
Any other institutions unitholding	2,11,35,086	2.32
Total institutions unitholding	43,39,71,858	47.69
Public holding - Non Institutions		
Individuals	21,91,79,171	24.09
NBFCs registered with RBI	5,02,400	0.05
Other non-institutions unitholding	11,98,45,671	13.17
Total non-Institutions Sub- Total (B) (2)	33,95,27,242	37.31
Total	90,99,99,200	100.00

Unitholding pattern reported as on March 31, 2023



The Asset Portfolio

The Portfolio Assets comprise five power transmission projects located across five states of India. The projects comprise 11 transmission lines, including six 765 kV transmission lines and five 400 kV transmission lines, with a total circuit length of approximately 3,698.59 ckm, and three substations with 6,630 MVA of an aggregate transformation capacity and 1,955.66 km of optical ground wire. Each of the Initial Portfolio Assets has in place a long-term TSA of 35 years from the Scheduled COD of the relevant Initial Portfolio Asset. Upon expiry of the term of a TSA, the relevant Initial Portfolio Asset can apply to CERC for renewal if it is not unilaterally extended by CERC.

PGInvIT had acquired 74% of equity shares stake in each of 5 SPVs from PGCIL pursuant to the IPO. The transfer of funds to the Sponsor towards consideration for acquisition of 74% equity holding was completed during May 2021. Subsequently, in March 2022, PGInvit acquired balance 26% equity shares of one of the SPV, namely VTL, from its sponsor.



Below is the snapshot of Asset Portfolio of PGInVT

Description	Vizag Transmission Limited	POWERGRID Kala Amb Transmission Limited	POWERGRID Parli Transmission Limited	POWERGRID Warora Transmission Limited	POWERGRID Jabalpur Transmission Limited
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	-
Commercial operation date	February 2017	July 2017	June 2018	July 2018	January 2019
% stake acquired by PGInVT	74% - IPO 26% - Mar, 22	74% - IPO	74% - IPO	74% - IPO	74% - IPO
Lock in period (for balance 26%)	Completed	July 2022	June 2023	July 2023	January 2024

Source: Management inputs

7. Valuation Base and Premise

7.1 Valuation Base

IVS 102 defines the Valuation Bases and prescribes the corresponding fundamental assumptions on which Valuation will be based and provide the premises of values.

IVS 102 provides three Valuation Bases which are required to be chosen by the Valuer considering the terms and purpose of the Valuation engagement

- I. Fair Value: Price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the Valuation Date.
- II. Participant Specific Value: Estimated value of an asset or liability after considering the advantages and disadvantages that may arise to the owner, identified participant or identified acquirer.
- III. Liquidation Value: Amount that will be realized on sale of an asset or a group of assets when an actual / hypothetical termination of the business is contemplated / assumed.

Fair Value as per ICAI VS defined as under:

"Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. "

7.2 Premise of Valuation

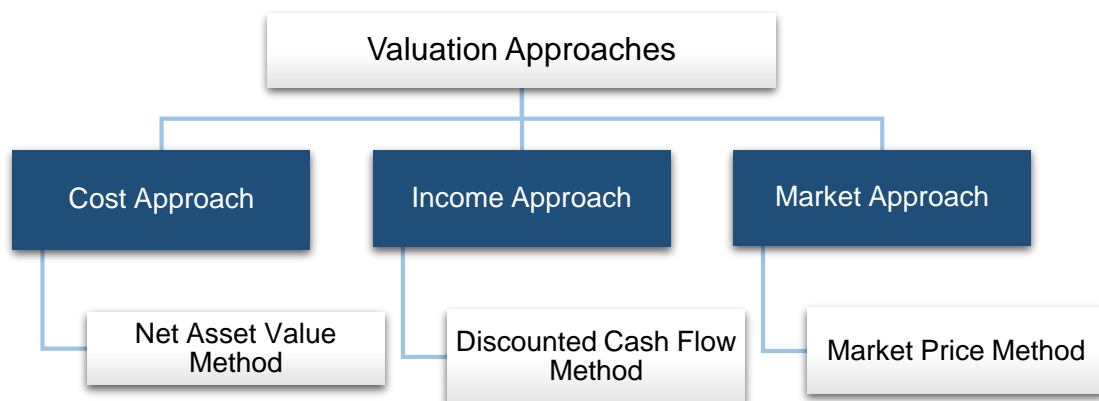
Premise of Value refers to the conditions and circumstances how an asset is deployed. The going concern value premise is defined as under:

"Going concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of going concern value result from factors such as having a trained work force, an operational plant, the necessary licenses, systems, and procedures in place, etc".



8. Valuation Approaches

There are various methods adopted for valuing the underlying assets of an entity. Certain methods are based on asset value while certain other methods are based on the earnings potential of the asset. Each method proceeds on different fundamental assumptions which have greater or lesser relevance and at times even no relevance, to a given situation. Thus, the methods to be adopted for a particular valuation exercise must be judiciously chosen. The valuation approaches and methods shall be selected in a manner which will maximize the use of relevant observable inputs and minimize the use of unobservable inputs.



8.1 Cost Approach

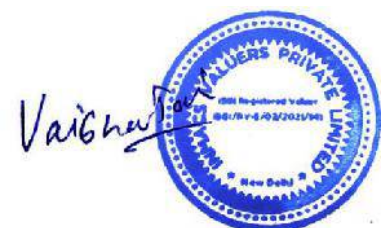
The cost approach reflects the amount that would be required currently to replace the service capacity of an asset. Often, the value of the business/asset is driven in terms of the investment that would be required to replace the assets they have assembled.

8.1.1 Net Asset Value (“NAV”) Method

The Net Assets Value Method under cost approach derives the value of the overall business based on the value of the underlying assets and liabilities comprising the business (tangible and intangible assets, whether recorded on the balance sheet or not) on the valuation date.

8.2 Income Approach

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income, cost savings and expenses) to a single current (i.e., discounted or capitalised) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.



8.2.1 Discounted Cash Flow (“DCF”) Method

The DCF method values the asset by discounting the cash flows expected to be generated by the asset or a business for the explicit forecast period and also the perpetuity value (or terminal value) in case of assets/business with indefinite life.

The DCF method is one of the most common methods for valuing various assets such as shares, businesses, debt instruments, etc.

This method involves discounting of future cash flows expected to be generated by an asset over its life using an appropriate discount rate to arrive at the present value.

The following are important inputs for the DCF method:

- Cash flows;
- Discount rate; and
- Terminal value

8.3 Market Approach

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

The following are some of the instances where a valuer applies the market approach:

- a) where the asset to be valued or a comparable or identical asset is traded in the active market;
- b) there is a recent, orderly transaction in the asset to be valued; or
- c) there are recent comparable orderly transactions in identical or comparable asset(s) and information for the same is available and reliable

8.3.1 Market Price Method

Under Market Price method the traded price observed over a reasonable period while valuing assets which are traded in the active market is considered.

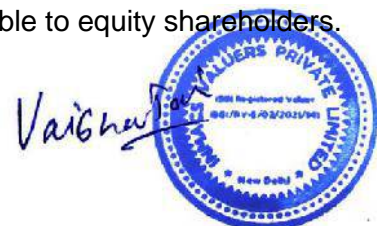
The market price of an asset as quoted in an active market is normally considered as the fair value of said asset where such quotations are arising from the asset being regularly and freely traded in, subject to the element of speculative support that maybe inbuilt in the value of the asset.

As per **ICAI Valuation Standard- 301: Business Valuation:**

Enterprise Value: Enterprise Value is the value attributable to the equity shareholders plus the value of debt and debt like items, minority interest, preference share less the amount of non-operating cash and cash equivalents.

Business Value: Business value is the value of the business attributable to all its shareholders

Equity Value: Equity Value is the value of the business attributable to equity shareholders.



As per International Valuation Standard **IVS 200 Businesses and Business Interests**

Enterprise value: Often described as the total value of the equity in a business plus the value of its debt or debt-related liabilities, minus any cash or cash equivalents available to meet those liabilities.

Total invested capital value: The total amount of money currently invested in a business, regardless of the source, often reflected as the value of total assets less current liabilities and cash.

Operating Value: The total value of the operations of the business, excluding the value of any non-operating assets and liabilities.

Equity value: The value of a business to all of its equity shareholders.

9. Valuation Analysis

9.1 The adopted approaches

After analyzing the above mentioned approaches and gaining understanding of the Trust structure, we derive that the Specified SPVs are to be valued at enterprise level as a going concern taking into consideration all the future aspects of the business.

These Specified SPVs are not listed on any stock exchange. Thus, active market prices are not available for the equity shares of the company, hence Market Price Method cannot be applied.

Taking into consideration other observable inputs available and the fact that these Specified SPVs are not under liquidation or facing any kind of distress, the cost approach will not provide reliable value.

The Investment Manager has shared the financial projections for the balance tenor of TSA. Therefore, we conclude that employing discounted cash flow method under income approach will be the most suitable method and approach in this case as it serves as an indicator of the prospective return that the business is able to generate in the future. The discounted cash flow method is very effective because it allows values to be determined even when cash flows are fluctuating.

The DCF method uses the future free cash flows of the firm holders discounted by the cost of capital to arrive at the present value. In general, the DCF method is a strong and widely accepted valuation tool, as it concentrates on cash generation potential of a business. This method is based on future potential and is widely accepted.



The valuation premises, basis, approaches and methods for respective Specified SPVs is adopted as below:

Particulars	Vizag Transmission Limited	POWERGRID Kala Amb Transmission Limited	POWERGRID Parli Transmission Limited	POWERGRID Warora Transmission Limited	POWERGRID Jabalpur Transmission Limited
Valuation Base	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Valuation Premise	Going Concern	Going Concern	Going Concern	Going Concern	Going Concern
Valuation Approach	Income Approach	Income Approach	Income Approach	Income Approach	Income Approach
Method Adopted	Discounted Cash Flow Method	Discounted Cash Flow Method	Discounted Cash Flow Method	Discounted Cash Flow Method	Discounted Cash Flow Method

9.2 Discounted Cash Flows Method: Critical Inputs

As discussed earlier, the following are important inputs for the DCF method:

- Cash flows;
- Discount rate; and
- Terminal value and growth rate

9.2.1 Future Free Cash Flows:

The future free cash flows are derived considering, inter alia, the changes in the working capital and any capital expenditure. They are an aggregation of free cash flows of company during the explicit forecast period – prepared based on the business plan – and during the post explicit forecast period, estimated using an appropriate method, and are available to Company's shareholders.

Generally, in DCF there are two work-arounds for determining future free cash flows depending upon the valuation requirements, being:

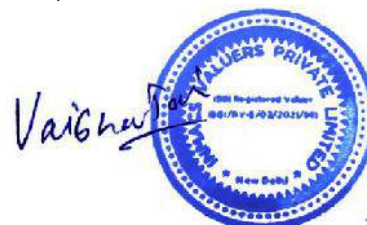
- Free Cash Flow to Firm (FCFF)
- Free Cash Flow to Equity (FCFE)

We have opted Free Cash Flow to Firm (FCFF) for our valuation analysis. After determining the Free cash flow at present value we add up surplus assets and reduce the market value of debt as on date of valuation and other non-equity claims to arrive at the value of equity.

$$\text{FCFF} = \text{NOPAT} + \text{Non-Cash Charges} \pm \text{Net Capital Expenditure} \pm \text{Non-Cash Working Capital Changes}$$

9.2.2 Discount rate

The appropriate discount rate for discounting FCFF is Weighted Average Cost of Capital ('WACC'). Same has been applied to calculate values on March 31st, 2023



Computation of WACC

$$WACC = K_d \times (1-t) \times W_d + K_e \times W_e$$

Where
 K_d = Estimated pre-tax cost of debt
 t = applicable corporate tax rate
 W_d = (Debt/(Debt+Equity))
 K_e = Cost of Equity
 W_e = (Equity/(Debt+Equity))
 D = market value of debt
 E = market value of equity

9.2.3 Cost of Debt

The cost of debt is the rate at which the company is able to raise debt. A number of methods can be employed to determine a company's cost of debt be it the actual cost at which company has raise the debt or matrix pricing method.

9.2.4 Cost of Equity

Cost of equity has been estimated based on the capital asset pricing model i.e. CAPM. This model calculates the cost of equity of a Company as the sum of the risk-free rate and a Company specific equity risk premium, the later of which represents the risk of company in question as compared to the market risk premium

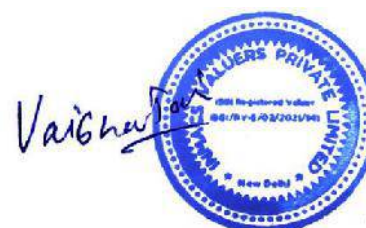
Calculation of Cost of Equity by employing CAPM

$$\text{Cost of Equity} = R_f + \beta (R_m - R_f)$$

Where:
 R_f Risk Free Rate
 β /Beta A measure of observed volatility of the company compared to the market
 $(R_m - R_f)$ It is Equity or Market Risk Premium

Below is the summary of WACC:

Weighted Average Cost of Capital							
Parameter	Abv	VTL	PKATL	PPTL	PWTL	PJTL	Remarks
Cost of Equity	Ke	11.24%	11.24%	11.24%	11.24%	11.24%	Capital Asset Pricing Model
Cost of debt post tax	Kd	6.30%	6.30%	6.30%	6.30%	6.30%	
Debt Equity Ratio	D/E	0.83	0.83	0.83	0.83	0.83	
Weighted Average Cost of Capital	WACC	9.01%	9.01%	9.01%	9.01%	9.01%	$Ke \times We + Kd(\text{post-tax}) \times Wd$



Cost of Equity

Parameter	Abv	VTL	PKATL	PPTL	PWTL	PJTL	Remarks
Risk Free Rate	Rf	7.17%	7.17%	7.17%	7.17%	7.17%	Source: CCIL Published Rates: March 31, 2023
Beta	Beta	0.26	0.26	0.26	0.26	0.26	Based on industry median beta of comparable companies computed on 3 year daily data
Equity Risk Premium	ERP (Rm - Rf)	9.73%	9.73%	9.73%	9.73%	9.73%	Forward looking implied equity risk premium - Country Risk Adjusted
Debt Equity Ratio	D/E	0.83	0.83	0.83	0.83	0.83	For our analysis, we have considered 3 years average Industry DE ratio, which have been computed on the basis of the comparable companies.
Relevered Beta	Relevered Beta	0.42	0.42	0.42	0.42	0.42	
Cost of Equity	Ke	11.24%	11.24%	11.24%	11.24%	11.24%	Capital Asset Pricing Model

Cost of Debt

Parameter	Abv	VTL	PKATL	PPTL	PWTL	PJTL	Remarks
Cost of Debt (pre-tax) ¹	Kd	8.42%	8.42%	8.42%	8.42%	8.42%	Refer Note 1
Tax Rate	t	25.17%	25.17%	25.17%	25.17%	25.17%	
Cost of Debt (post-tax)	Kd (1 - t)	6.30%	6.30%	6.30%	6.30%	6.30%	
Equity Weight	We	0.55	0.55	0.55	0.55	0.55	
Debt Weight	Wd	0.45	0.45	0.45	0.45	0.45	
Weighted Average Cost of Capital	WACC	9.01%	9.01%	9.01%	9.01%	9.01%	Ke*We + Kd(post-tax)*Wd

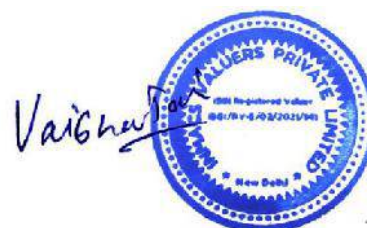
Equity Risk Premium

Parameter	Figure	Remarks
Moody's sovereign rating	Baa3	http://www.moodys.com
CDS spread	1.67%	Bloomberg
Excess CDS spread (over US CDS)	1.35%	
Country Risk Premium of mature equity market	5.94%	
Multiplier to use on the default spread - Emerging Markets (additional volatility)	1.41	http://www.stern.nyu.edu/~adamodar/New_Home_Page/data.html
Country Default Spread (based on rating)	2.69%	
Country Risk Premium (Rating)	3.79%	
Equity Risk Premium (Rating)	9.73%	

Notes:

1. The current cost of debt of Specified SPVs comes to be 14.50% as a result of arrangement made between PGInvIT acting through its investment manager, the company and the Trustee of PGInvIT. As per the Facility agreement entered into between the Company, Investment manager and the Trustee, the Company shall, with prior notice to the Trustee, be entitled to prepay all or any portion of the outstanding principal amounts of the Loan, without any prepayment penalty or premium.

Therefore, in order to arrive at a fair value of the enterprise, we have considered this (6.30%) as post tax cost of debt for the company as reasonable basis in normal course of business without posing any advantage or disadvantage due to any special arrangement within the stakeholders.



9.2.5 Terminal Value

Terminal value represents the present value at the end of explicit forecast period of all subsequent cash flows to the end of the life of the asset or into perpetuity if the asset has an indefinite life.

We understand from the Management that the ownership of the project assets shall remain with Specified SPVs after completion of the term of the TSA and that the project assets will continue to have economic utility beyond the term of the TSA. Considering the aforementioned, terminal Value at the end of the forecast period has been estimated based on the projected annualized revenue and EBITDA margins in the last forecast year and assuming a long-term growth rate of 0% and maintainable capital expenditure equal to the annual depreciation during the forecast period.

10. DCF Valuation Analysis of Specified SPVs

10.1 Vizag Transmission Limited

10.1.1 About the company

Company	Vizag Transmission Limited
CIN	U40300DL2011GOI228136
Erstwhile name	POWERGRID Vizag Transmission Limited
Incorporation date	November 30, 2011
Gross block as on March 31, 2023	₹13,097.66 millions
TSA date	May 14, 2013
Scheduled COD	September 04, 2016
Project COD	February 01, 2017
Expiry date	35 years from the date of COD
PGInvIT shareholding	100%

Vizag Transmission Limited ('VTL') formerly POWERGRID Vizag Transmission Limited ('PVTTL'), was incorporated on 30th November 2011. Vizag Transmission Limited entered into a transmission service agreement dated 14th May 2013 with its Long-Term Transmission Customers ('LTTCs') (the 'VTL TSA') to strengthen transmission system in the southern region of India for import of power from the eastern region of India, on a Build Operate Own Maintain ('BOOM') basis.

The project was awarded on 31st July 2013, through the TBCB mechanism, for a 35-year period from the Scheduled COD (as extended pursuant to the letter issued by TANGEDCO dated 27th September 2017), i.e., 1st February 2017. VTL was granted a transmission license by the CERC on 8th January 2014.

Subsequently, VTL entered into a TSA dated 21st November 2015 with the CTU, inter-state transmission service customers, inter-state transmission service licensees and non-inter-state transmission service licensees whose assets have been certified as being used for inter-state transmission by the regional power committee ('RPCs'), and a revenue sharing agreement dated 21st November 2015 with the CTU.



VTL operates two transmission lines of 956.84 ckm comprising one 765 kV double circuit line of approximately 668 ckm from Srikakulam (Andhra Pradesh) to Vemagiri (Andhra Pradesh) and one 400 kV double circuit line of 288.84 ckm from Khammam (Telangana) to Nagarjuna Sagar (Andhra Pradesh)

PGInVT acquired the remaining 26% equity shareholding in VTL on 31st March 2022 and the name changed from POWERGRID Vizag Transmission Limited ('PVTL') to Vizag Transmission Limited. The Trust now holds 100% equity shareholding in VTL.

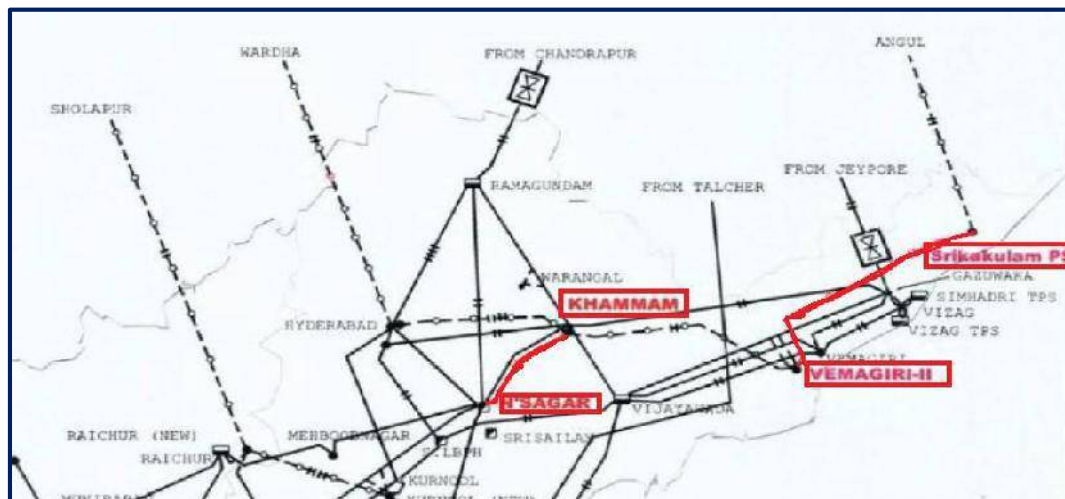
As of March 31st 2023, the Gross Block of Property, Plant and Equipment (including Intangibles) was ₹13,097.66 Mn.

All the elements have been successfully charged and Date of Commercial Operations (DOCO) declared as per details below:

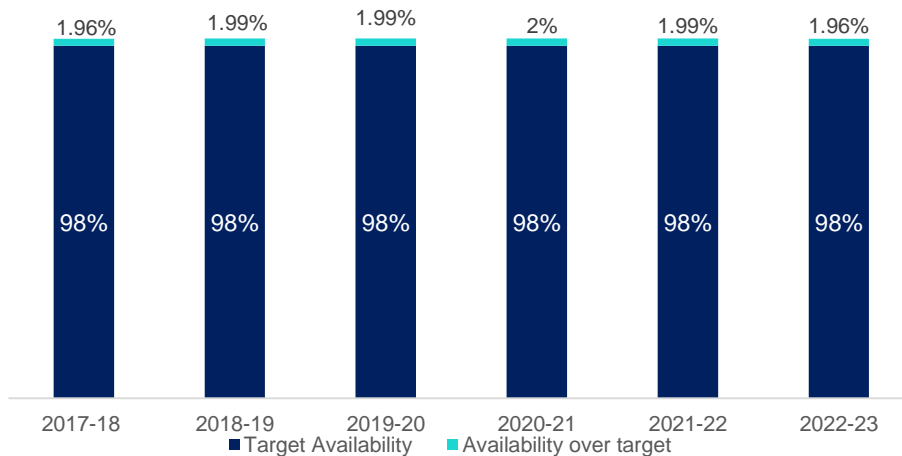
Transmission Line/ Substations	Location	Line length/ Capacity	Specifications	COD	Contribution to total transmission charges
Khammam (Existing) – Nagarjuna Sagar	Andhra Pradesh and Telangana	288.84	400 kV D/C	03-Jan-16	15.25%
Srikakulam PP –Vemagiri-II Pooling Station	Andhra Pradesh	668	765 kV D/C	01-Feb-17	84.75%

Source: Management inputs

GRID Map of “System Strengthening in Southern region for Import of power from Eastern Region”.



Historical Average Annual Availability of VTL



Source: Management Input

Note: Average availability for FY 2022-23 is on provisional basis.

We have been provided with the financial projections of the VTL for balance tenor of the TSA i.e. uptill January 31st, 2052, therefore we have referred the same for our analysis. Estimation of the net cash flows of the company to be in explicit period based on these financial projections.

The projections of VTL are based on the following critical inputs

Inputs	Details
Transmission Revenue	<p>Transmission revenue of VTL is provided in the TSA for the life of the project. It comprises non-escalable transmission revenue and escalable transmission revenue as follows::</p> <ol style="list-style-type: none"> Non-Escalable Transmission Revenue – It has been considered based on long term Transmission Service Agreement of VTL . We have corroborated the non-escalable transmission revenue provided by the Management in the financial projections with the TSA of VTL. Escalable Transmission Revenue – It is the revenue component where revenue is escalated each year based on the escalation index which is computed as per the annualized escalation rate notified by the CERC every 6 months. This escalation is done mainly to compensate VTL for inflation. A half yearly cumulative escalation rate of 6.11% for the forecast period beginning 1st October 2023 has been considered, which is based on the average of historical rates notified by the CERC for the period 1st October 2018 to 30th September 2023.



Inputs	Details
Incentive	<p>As per the TSA, if the availability in a contract year exceeds the target availability of 98%, VTL shall be entitled to an annual incentive as follows:</p> <p>Incentive = 0.02 X Annual Transmission Charges X (Actual Annual Availability – Target Availability)</p> <p>No incentive shall be payable above the availability of 99.75%. Management expects the annual availability for VTL at or above 99.75% during the forecast period.</p>
Penalty	<p>If the availability in any contract year falls below 95%, VTL shall be penalised as per the TSA. As represented to us by the Management, the availability in any contract year shall not fall below 95% during the forecast period and thus the penalty has not been considered in the financial projections.</p>
Operations & Maintenance (“O&M”) Expenses	<p>O&M expenses for VTL have been estimated by the Management at INR 38.99 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 3.51% per annum as per O&M Agreement and Management estimates. We have relied on the projections provided by the Management.</p>
Project Management (“PM”) Expenses	<p>Project Management expenses for VTL have been estimated by the Management at INR 5.85 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 3.51% per annum as per Project Implementation and Management Agreement. We have relied on the projections provided by the Management.</p>
License fees	<p>Annual License fee has been estimated by the Management for the forecast period at 0.11% of Annual Transmission Charges as provided under the CERC regulations.</p>
Insurance Expenses	<p>Insurance expenses for VTL have been estimated by the Management (based on the invoice obtained from insurer) as INR 61.99 Mn in FY2024. Insurance expenses are expected to be constant throughout the life of the project.</p>
Key Managerial Personnel Expenses	<p>Key Managerial Personnel Expenses for VTL have been estimated by the Management as INR 2.70 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 6.50% per annum.</p>
System and Market Operation Charges	<p>System and Market Operation Charges for VTL have been estimated by the Management as INR 6.48 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 6.50% per annum.</p>



Inputs

Details

Audit Expenses

Audit Expenses for VTL have been estimated by the Management as INR 0.28 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 10% per annum.

Other Administrative Expenses and Other Expenses

Other Administrative Expenses and Other Expenses for VTL have been estimated by the Management as INR 0.78 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 10% per annum.

Breakdown Contingencies

The Management has estimated that an amount of INR 0.50 Mn per annum shall be spent with respect to breakdown contingencies for VTL during the forecast period.

CSR Expense

As per the provisions of Section 135 of the Companies Act 2013, a CSR Expense of 2% of the average profits for the past 3 years for VTL has been considered.

Depreciation

Depreciation is being calculated using the StraightLine Method over the life of the project considering a salvage value of 5% as per the Companies Act, 2013. For calculating depreciation as per the Income Tax Act for the projected period, depreciation rate as specified in the Income Tax Act and WDV as per Income Tax Return filed by VTL has been considered. VTL is expected to incur certain maintenance capital expenditure during the forecast period. The effect of the same has been considered while computing both book and income tax depreciation.

Tax Rates

VTL shall pay taxes as follows over the forecast period:

Regime	Period	Marginal Corporate Income Tax Rate
Old Regime	Till FY2045	29.12%
New Regime	FY2046 onwards	25.17%

Tax Incentive

VTL is eligible for tax holiday under section 80IA of Income Tax Act. Such tax holiday shall be available for any 10 consecutive years out of 15 years beginning from the date of COD. For VTL, the tax holiday benefit proposed to be claimed as follows:

Component	Tax Holiday period
Khammam (Existing) – Nagarjuna Sagar	FY2020-21 to FY2029-30
Srikakulam PP – Vemagiri-II Pooling Station	FY2021-22 to FY2030-31



Inputs**Details****Working Capital**

The Management have envisaged the working capital requirement of VTL for the forecast period. The major operating working capital assumptions are as follows:

- a. Trade Receivables days – 45 days
- b. Unbilled Revenue days – 31 days

Debt

The borrowings as of 31st March 2023 of VTL is from PGInvIT at an interest rate of 14.5% p.a.

Capital Expenditure

The Management has provided us estimated capital expenditure to be incurred over the forecast period for VTL. We have relied on the projections provided by the Management.

Contingent Liabilities

The Management represented that, as per the Share Purchase Agreement executed between POWERGRID, IDBI Trusteeship Services Limited (in its capacity as Trustee to PGInvIT), PUTL (in its capacity as Investment Manager to PGInvIT) and Specified SPVs, POWERGRID has undertaken to indemnify, defend and hold harmless the Trust and the Investment Manager from and against losses which relate to or arise from inter-alia any pending or threatened claims against the Specified SPVs from the period prior to and including the First Closing Date i.e. 13th May 2021. And no major contingent liabilities have arisen for the period after 13th May 2021. Since no contingent liability has to be borne by VTL, there is no impact of contingent liability on the valuation.

Vaibhav



10.1.2 DCF Valuation Analysis

Vizag Transmission Limited

DCF Valuation Analysis

Valuation date: March 31, 2023

Particulars	Amount (in millions)
Present value of FCFF for explicit period	17,594.33
add Present value of terminal value	1,101.12
Business enterprise value	18,695.45
add Cash and bank balance as on date of valuation	236.34
less Borrowings as on date of valuation	7,839.88
Equity value as on date of valuation	11,091.91
Number of equity shares outstanding as on date of valuation (no.s in millions)	209.73
Value per equity share (₹/share)	52.89

Valuation Date	31-Mar-23
Cost of capital / WACC	9.01%

(in ₹ millions)											
S.no	Period length (months)	For the period ended on	Revenues	NOPAT	Depreciation	Capital Expenditure	Change in working capital	Free cash flow to the firm	YearFrac	Present value factors	Present Value
1	2	3	4	5	6	7	8	9 = 5+6+7+8	Mid-year	10	11 = 9 X 10
1	12	31-Mar-24	2,205.14	1,351.27	312.42	-	165.28	1,828.96	0.50	0.96	1,751.77
2	12	31-Mar-25	2,205.05	1,357.35	312.42	-	0.02	1,669.78	1.50	0.88	1,467.16
3	12	31-Mar-26	2,205.06	1,360.12	312.42	-	-0.00	1,672.53	2.50	0.81	1,348.15
4	12	31-Mar-27	2,205.06	1,359.08	312.80	-20.40	-0.00	1,651.47	3.50	0.74	1,221.19
5	12	31-Mar-28	2,205.09	1,356.57	313.18	-	-0.01	1,669.75	4.50	0.68	1,132.68
6	12	31-Mar-29	2,205.12	1,354.18	313.39	-10.00	-0.01	1,657.56	5.50	0.62	1,031.50
7	12	31-Mar-30	2,205.17	1,351.73	313.59	-	-0.01	1,665.31	6.50	0.57	950.70
8	12	31-Mar-31	2,205.23	1,349.17	313.81	-10.00	-0.01	1,652.98	7.50	0.52	865.68
9	12	31-Mar-32	2,205.31	1,346.52	314.04	-	-0.02	1,660.53	8.50	0.48	797.79
10	12	31-Mar-33	2,205.40	1,343.93	314.04	-	-0.02	1,657.94	9.50	0.44	730.72
11	12	31-Mar-34	2,205.52	1,340.91	314.42	-15.00	-0.02	1,640.31	10.50	0.40	663.21
12	12	31-Mar-35	2,205.67	1,337.78	314.81	-	-0.03	1,652.56	11.50	0.37	612.96
13	12	31-Mar-36	2,205.84	1,334.84	314.81	-	-0.04	1,649.62	12.50	0.34	561.31
14	12	31-Mar-37	2,206.04	1,331.59	315.04	-7.24	-0.04	1,639.34	13.50	0.31	511.72
15	12	31-Mar-38	2,206.26	1,328.19	315.26	-	-0.05	1,643.40	14.50	0.29	470.60
16	12	31-Mar-39	2,206.52	1,324.84	315.26	-	-0.05	1,640.05	15.50	0.26	430.84
17	12	31-Mar-40	2,206.83	1,321.09	315.57	-8.00	-0.07	1,628.60	16.50	0.24	392.48
18	12	31-Mar-41	2,207.16	1,317.17	315.88	-	-0.07	1,632.98	17.50	0.22	361.02
19	12	31-Mar-42	2,207.55	1,313.35	315.88	-	-0.08	1,629.15	18.50	0.20	330.41
20	12	31-Mar-43	2,207.98	1,309.34	315.88	-	-0.09	1,625.13	19.50	0.19	302.36
21	12	31-Mar-44	2,208.48	1,305.16	315.88	-	-0.11	1,620.93	20.50	0.17	276.66
22	12	31-Mar-45	2,209.02	1,204.17	315.88	-	-0.11	1,519.93	21.50	0.16	237.99
23	12	31-Mar-46	2,209.63	1,176.55	315.88	-	-0.13	1,492.30	22.50	0.14	214.36
24	12	31-Mar-47	2,210.31	1,171.59	315.88	-	-0.14	1,487.32	23.50	0.13	195.99
25	12	31-Mar-48	2,211.08	1,166.52	315.88	-	-0.16	1,482.24	24.50	0.12	179.18
26	12	31-Mar-49	2,211.91	1,161.29	315.88	-	-0.17	1,477.00	25.50	0.11	163.79
27	12	31-Mar-50	2,212.83	1,155.90	315.88	-	-0.19	1,471.59	26.50	0.10	149.71
28	12	31-Mar-51	2,213.86	1,150.33	315.88	-	-0.21	1,465.99	27.50	0.09	136.82
29	10	31-Jan-52	1,858.05	961.48	263.23	-	-0.51	1,224.20	28.42	0.09	105.57
30	12	Terminal Value	2,213.86	1,150.33	315.88	-315.88	-0.21	1,150.12	28.42	0.09	99.18



Sensitivity Analysis

Sensitivity analysis is an analysis technique that works on the basis of what-if analysis like how independent variables can affect the dependent variable. As discussed above, DCF valuation involves use of critical inputs to determine equity value, these critical inputs are independent variables and resultant equity value is dependent variable.

The table below is a what-if analysis table, wherein the impact on equity value and enterprise value has been produced considering critical input being discount rates vary by 50 basis points in either direction.

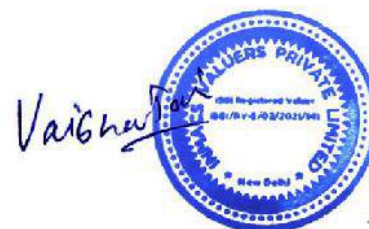
Sensitivity	Equity Value	Enterprise Value
	(in ₹ millions)	
9.01%	11,091.91	18,695.45
8.00%	13,132.13	20,735.67
8.50%	12,064.02	19,667.56
9.00%	11,104.63	18,708.17
9.50%	10,237.89	17,841.43
10.00%	9,450.80	17,054.34


10.1.3 Additional Disclosures

The Schedule V of the SEBI InvIT Regulations prescribes the minimum set of mandatory disclosures to be made in the valuation report.

Below is the additional information as required by the regulations

Parameter	Details
List of one-time sanctions/approvals which are obtained or pending:	The list is enclosed in Annexure – 1 to the report.
List of up to date/ overdue periodic clearances:	We have included the details in Annexure – 1 to the report.
Statement of assets included:	The details of assets of VTL as of March 31 st , 2023 are provided in Annexure – 6.



Parameter	Details										
Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:	<p>We understand from the Management that no major repairs and improvements of the assets have been performed till date. Also, VTL does not plan to perform any major repairs and improvements during the life of the project except CAPEX requirement captured above in the analysis.</p> <p>However, VTL incurs regular annual maintenance charges of Transmission Lines. The projected operation and maintenance charges for the life the project along with the projected inflation rate is as follows:</p> <table border="1"> <thead> <tr> <th>Expenses</th> <th>O&M Expenses</th> </tr> </thead> <tbody> <tr> <td>FY 2024</td> <td>38.99</td> </tr> <tr> <td>FY 2025</td> <td>40.36</td> </tr> <tr> <td>FY 2026</td> <td>41.78</td> </tr> <tr> <td>Annual inflation rate FY24 to FY51</td> <td>3.51%</td> </tr> </tbody> </table> <p><i>Source: Management input</i> Expenses in ₹ millions</p>	Expenses	O&M Expenses	FY 2024	38.99	FY 2025	40.36	FY 2026	41.78	Annual inflation rate FY24 to FY51	3.51%
Expenses	O&M Expenses										
FY 2024	38.99										
FY 2025	40.36										
FY 2026	41.78										
Annual inflation rate FY24 to FY51	3.51%										
Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges if any.	The Management has informed that there are no dues including local authority taxes pending to be payable to the Government authorities except as disclosed in the audited financial statements.										
On-going material litigations including tax disputes in relation to the assets, if any;	The list of on-going material litigations including tax disputes in relation to VTL are provided in Annexure – 11.										
Vulnerability to natural or induced hazards that may not have been covered in town planning building control	Management has confirmed that there are no such natural or induced hazards which have not been considered in town planning/ building control.										
Latest Pictures of the project along with date of physical inspection	Please refer Annexure – 16.										
Valuation of the project in the previous 3 years	<p>Equity Value for VTL (100%) as on -</p> <ul style="list-style-type: none"> September 30th, 2022: ₹11,519.02 million (Report dated October 28th, 2022 by Inmacs Valuers Private Limited) March 31st 2022: ₹14,453.2 million (Report dated May 17th, 2022 by RBSA Valuation Advisors LLP) September 30th, 2021: ₹14,934.4 million (Report dated October 28th, 2021 by RBSA Valuation Advisors LLP) 										
Purchase price of the project by the InvIT	<p>INR 11,561.36 million (acquired 74% during IPO) INR 330.78 million (Acquired 26% on 31.03.2022)</p> <p>Acquisitions were made from Power Grid Corporation of India Limited (Sponsor) and the transactions were related party transaction.</p> 										

10.2 POWERGRID Kala Amb Transmission Limited

10.2.1 About the Company

Company	POWERGRID Kala Amb Transmission Limited
CIN	U40106DL2013GOI256048
Erstwhile name	NRSS XXXI (A) Transmission Limited
Incorporation date	July 29, 2013
Gross block as on March 31, 2023	₹3,344.57 millions
TSA date	January 02, 2014
Scheduled COD	July 12, 2017
Expiry date	35 years from the date of COD
Project COD	July 12, 2017
PGCIL shareholding	26%
PGInvIT shareholding	74%

POWERGRID Kala Amb Transmission Limited (PKATL) was incorporated on 29th July 2013. NRSS XXXI (A) Transmission Limited (erstwhile name of PKATL) entered into a transmission service agreement dated 2nd January 2014 with its LTTCs (the “PKATL TSA”) for transmission of electricity for transmission system for Northern Region System Strengthening Scheme NRSSXXXI (Part A) on a BOOM basis.

The project was awarded on 26th February 2014, through the tariff-based competitive bidding (‘TBCB’) mechanism, for a 35-year period from the Scheduled COD, i.e., 12th July 2017. PKATL was granted transmission license by the CERC on 4th September 2014.

Subsequently, PKATL entered into a TSA dated 18th October 2016 with the CTU, inter-state transmission service customers, inter-state transmission service licensees and non-inter-state transmission service licensees whose assets have been certified as being used for inter-state transmission by the RPCs, and a revenue sharing agreement dated 18th October 2016 with the CTU. In addition, PKATL is in the process of installing a 1x125 MVA, 420 kV bus reactor at Kala Amb, as part of the NRSS-XL scheme, through the regulated tariff mechanism (‘RTM’) vide its order dated March 22nd, 2022, CERC has a granted a separate transmission licence for the said RTM project.

PKATL operates one transmission line of 2.47 ckm comprising LILO of Karcham Wangtoo – Abdullapur transmission line at Kala Amb substation (on M/C towers). In addition, the project includes one 400/220 kV substation of an aggregate capacity of 630 MVA in Kala Amb (Himachal Pradesh), and 40% series compensation on 400 kV D/C line from Karcham Wangtoo (Himachal Pradesh) to Kala Amb (Himachal Pradesh).

As on March 31st 2023, the gross block of property plant and equipment including intangibles stood at ₹3,344.57 million.

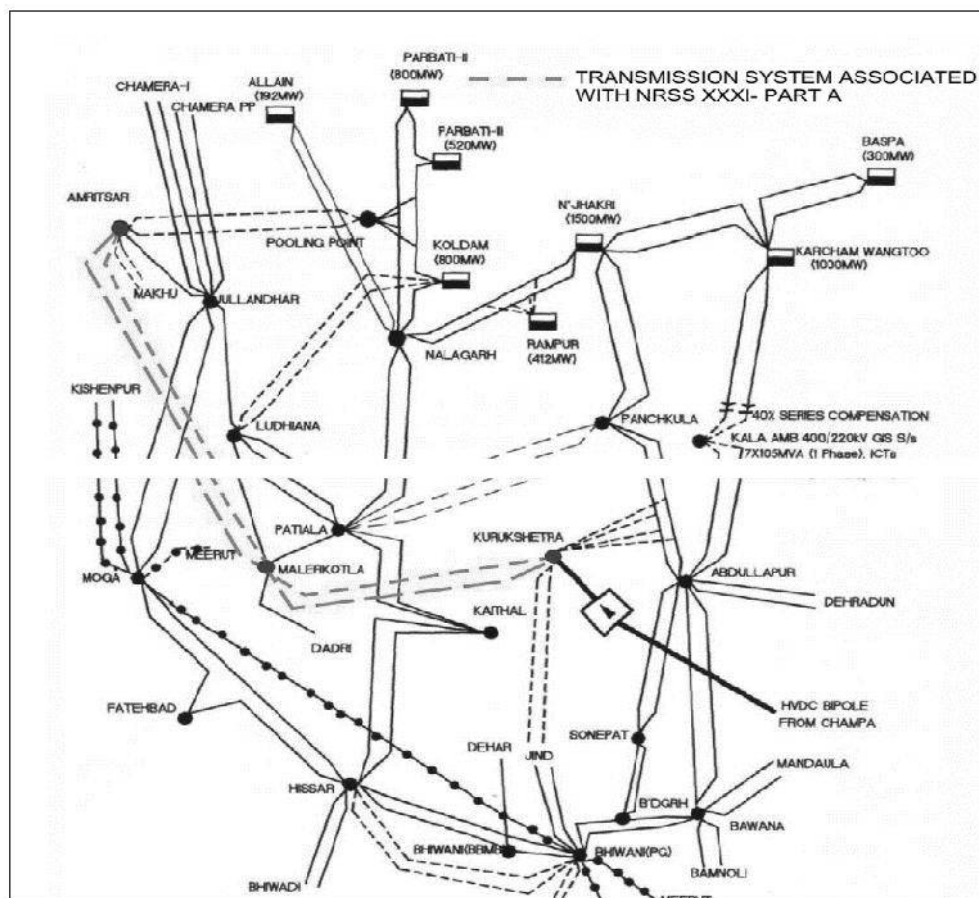


All the elements have been successfully charged and Date of Commercial Operations (DOCO) declared as per details below:

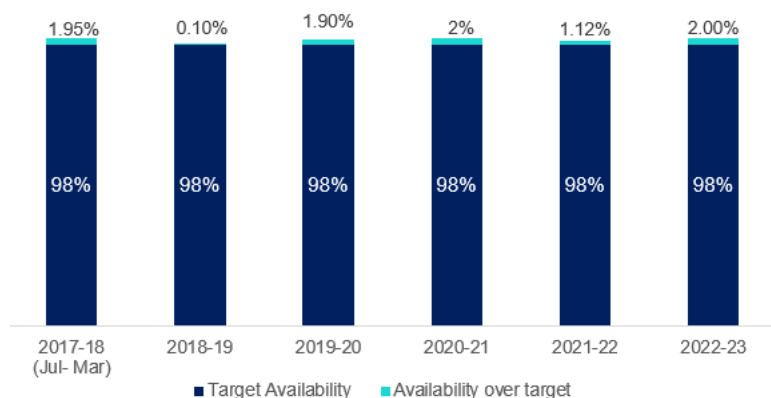
Transmission Line/ Substations	Location	Line length/ Capacity	Specifications	COD	Contribution to total transmission charges
LILO of both circuits of Karcham Wangtoo – Abdullapur transmission line at Kala Amb substation (on M/C towers)	Himachal Pradesh	2.47 ckm	400 kV D/C	12-Jul-17	84.50%
400/220 kV GIS substation at Kala Amb	Himachal Pradesh	630 MVA	400 kV / 220 kV GIS sub-station	12-Jul-17	
40% Series compensation on 400 kV Karcham Wangtoo – Kala Amb (Quad) D/C line at Kala Amb ends	Himachal Pradesh	-	40% series compensation	12-Jul-17	15.50%

Source: Management inputs

GRID Map of “Northern System Strengthening Scheme, NRSS- XXXI (Part A)” is as follows:



Historical Average Annual Availability of PKATL



Source: Management Input

Note: Average availability for FY 2022-23 is on provisional basis

We have been provided with the financial projections of the PKATL for balance tenor of the TSA i.e. uptill July 11th, 2052, therefore we have referred the same for our analysis. Estimation of the net cash flows of the company to be in explicit period based on these financial projections.

The projections of PKATL are based on the following critical inputs

Inputs	Details
Transmission Revenue	<p>Transmission revenue of PKATL is provided in the TSA for the life of the project. It comprises of only non escalable transmission revenue as follows:</p> <p>a. <u>Non-Escalable Transmission Revenue</u> – It has been considered based on long term Transmission Service Agreement of PKATL . We have corroborated the non-escalable transmission revenue provided by the Management in the financial projections with the TSA of PKATL.</p>
Incentive	<p>As per the TSA, if the availability in a contract year exceeds the target availability of 98%, PKATL shall be entitled to an annual incentive as follows:</p> <p>Incentive = 0.02 X Annual Transmission Charges X (Actual Annual Availability – Target Availability)</p> <p>No incentive shall be payable above the availability of 99.75%. Management expects the annual availability for PKATL at or above 99.75% during the forecast period.</p>
Penalty	<p>If the availability in any contract year falls below 95%, PKATL shall be penalised as per the TSA. As represented to us by the Management, the availability in any contract year shall not fall below 95% during the forecast period and thus the penalty has not been considered in the financial projections.</p>

Vaibhav

Inputs	Details
Operations & Maintenance (“O&M”) Expenses	O&M expenses for PKATL have been estimated by the Management as INR 49.20 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 3.51% per annum as per O&M Agreement and Management estimates. We have relied on the projections provided by the Management.
Project Management (“PM”) Expenses	Project Management expenses for PKATL have been estimated by the Management as INR 7.38 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 3.51% per annum as per Project Implementation and Management Agreement. We have relied on the projections provided by the Management.
License fees	Annual License fee has been estimated by the Management for the forecast period at 0.11% of Annual Transmission Charges as provided under the CERC regulations.
Power Charges	Power charges for PKATL have been estimated by the Management at INR 1.12 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 3.51% per annum.
Security Expenses	Security expenses for PKATL have been estimated by the Management at INR 6.30 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 6.50% per annum.
Insurance Expenses	Insurance expenses for PKATL have been estimated by the Management (based on the invoice obtained from insurer) as INR 6.39 Mn in FY2024. Insurance expenses are expected to be constant throughout the life of the project.
Key Managerial Personnel Expenses	Key Managerial Personnel Expenses for PKATL have been estimated by the Management as INR 3.00 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 6.50% per annum.
System and Market Operation Charges	System and Market Operation Charges for PKATL have been estimated by the Management as INR 0.01 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 6.50% per annum.
Audit Expenses	Audit Expenses for PKATL have been estimated by the Management as INR 0.28 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 10% per annum.
Other Administrative Expenses and Other Expenses	Other Administrative Expenses and Other Expenses for PKATL have been estimated by the Management as INR 0.78 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 10% per annum.
Breakdown Contingencies	The Management has estimated that an amount of INR 0.50 Mn per annum shall be spent with respect to breakdown contingencies for PKATL during the forecast period.
CSR Expense	As per the provisions of Section 135 of the Companies Act 2013, a CSR Expense of 2% of the average profits for the past 3 years for PKATL has been considered.

Vaighav



Inputs	Details
Depreciation	Depreciation is being calculated using Straight Line Method over the life of the project considering a salvage value of 5% as per the Companies Act, 2013. For calculating depreciation as per Income Tax Act for the projected period, depreciation rate as specified in the Income Tax Act and WDV as per Income Tax Return filed by PKATL have been considered. PKATL is expected to incur certain maintenance capital expenditure during the forecast period. The effect of the same has been considered while computing both book and income tax depreciation.
Tax Incentive	PKATL shall pay taxes under the new regime at the rate of 25.17% throughout the forecast period. The effective tax rate throughout the forecast period shall be 25.17%
Working Capital	<p>The Management have envisaged the working capital requirement of PKATL for the forecast period. The major operating working capital assumptions are as follows:</p> <ul style="list-style-type: none"> a. Trade Receivables days – 45 days b. Unbilled Revenue days – 31 days
Debt	The borrowings as of 31 st March, 2023 of PKATL is from PGINVIT at an interest rate of 14.5% p.a.
Capital Expenditure	The Management has provided us estimated capital expenditure to be incurred over the forecast period for PKATL. We have relied on the projections provided by the Management.
Contingent Liabilities	The Management represented that, as per the Share Purchase Agreement executed between POWERGRID, IDBI Trusteeship Services Limited (in its capacity as Trustee to PGINVIT), PUTL (in its capacity as Investment Manager to PGINVIT) and Specified SPVs, POWERGRID has undertaken to indemnify, defend and hold harmless the Trust and the Investment Manager from and against losses which relate to or arise from inter-alia any pending or threatened claims against the Specified SPVs from the period prior to and including the First Closing Date i.e. 13 th May 2021 and no major contingent liabilities have arisen for the period after 13 th May 2021. Since no contingent liability has to be borne by PKATL, there is no impact of contingent liability on the valuation.
New Transmission Licence	As per CERC order dated 22 nd March 2022, PKATL has been granted a separate transmission licence for implementation of 125 MVAR, 420 kV Bus Reactor at Kala Amb on the Regulated Tariff Mechanism (RTM) route. The transmission licence will remain in force for a period of 25 years from the date of issue. We understand from the management that no major capital expenditure has been incurred on the project as on the date of valuation. Considering the aforementioned, the financial impact of the same has not been factored in the current valuation.



10.2.2 DCF Valuation Analysis

POWERGRID Kala Amb Transmission Limited

DCF Valuation Analysis

Valuation date: March 31, 2023

Particulars	Amount (in millions)
Present value of FCFF for explicit period	3,678.54
add Present value of terminal value	120.44
Business enterprise value	3,798.98
add Cash and bank balance as on date of valuation	106.04
less Borrowings as on date of valuation	1,860.00
Equity value as on date of valuation	2,045.02
Number of equity shares outstanding as on date of valuation (no.s in millions)	61.00
Value per equity share (₹/share)	33.52

Valuation Date		31-Mar-23										
Cost of capital / WACC		9.01%										
(in ₹ millions)												
S.no	Period length (months)	For the period ended on	Revenues	NOPAT	Depreciation	Capital Expenditure	Change in working capital	Free cash flow to the firm	YearFrac	Present value factors	Present Value	
1	2	3	4	5	6	7	8	9 = 5+6+7+8	Mid-year	10	11 = 9 X 10	
1	12	31-Mar-24	691.61	414.09	86.23	-60.68	-22.96	416.68	0.50	0.96	399.10	
2	12	31-Mar-25	671.26	389.89	88.81	-11.22	4.24	471.72	1.50	0.88	414.48	
3	12	31-Mar-26	589.32	320.85	89.01	-	17.06	426.92	2.50	0.81	344.12	
4	12	31-Mar-27	531.23	270.78	89.21	-10.98	12.09	361.10	3.50	0.74	267.02	
5	12	31-Mar-28	531.23	265.18	89.41	-	-	354.59	4.50	0.68	240.54	
6	12	31-Mar-29	531.23	259.92	90.09	-34.10	-	315.92	5.50	0.62	196.59	
7	12	31-Mar-30	531.23	254.41	91.52	-36.00	-	309.94	6.50	0.57	176.94	
8	12	31-Mar-31	531.23	248.69	92.69	-19.10	-	322.28	7.50	0.52	168.78	
9	12	31-Mar-32	531.23	243.22	93.11	-	-	336.33	8.50	0.48	161.58	
10	12	31-Mar-33	531.23	238.02	93.11	-	-	331.13	9.50	0.44	145.94	
11	12	31-Mar-34	531.23	233.04	93.11	-	-	326.15	10.50	0.40	131.87	
12	12	31-Mar-35	531.23	228.20	93.11	-	-	321.31	11.50	0.37	119.18	
13	12	31-Mar-36	531.23	223.47	93.11	-	-	316.58	12.50	0.34	107.72	
14	12	31-Mar-37	531.23	218.80	93.11	-	-	311.91	13.50	0.31	97.36	
15	12	31-Mar-38	531.23	214.15	93.11	-	-	307.26	14.50	0.29	87.99	
16	12	31-Mar-39	531.23	209.49	93.11	-	-	302.60	15.50	0.26	79.49	
17	12	31-Mar-40	531.23	204.77	93.11	-	-	297.88	16.50	0.24	71.79	
18	12	31-Mar-41	531.23	199.98	93.11	-	-	293.08	17.50	0.22	64.79	
19	12	31-Mar-42	531.23	195.07	93.11	-	-	288.18	18.50	0.20	58.45	
20	12	31-Mar-43	531.23	190.03	93.11	-	-	283.14	19.50	0.19	52.68	
21	12	31-Mar-44	531.23	184.84	93.11	-	-	277.95	20.50	0.17	47.44	
22	12	31-Mar-45	531.23	179.46	93.11	-	-	272.57	21.50	0.16	42.68	
23	12	31-Mar-46	531.23	173.87	93.11	-	-	266.98	22.50	0.14	38.35	
24	12	31-Mar-47	531.23	168.03	93.11	-	-	261.14	23.50	0.13	34.41	
25	12	31-Mar-48	531.23	161.82	93.11	-	-	254.93	24.50	0.12	30.82	
26	12	31-Mar-49	531.23	155.33	93.11	-	-	248.43	25.50	0.11	27.55	
27	12	31-Mar-50	531.23	148.53	93.11	-	-	241.63	26.50	0.10	24.58	
28	12	31-Mar-51	531.23	141.39	93.11	-	-	234.50	27.50	0.09	21.89	
29	12	31-Mar-52	531.23	133.90	93.11	-	-	227.01	28.50	0.09	19.44	
30	4	11-Jul-52	148.45	35.35	26.12	-	-	61.47	29.14	0.08	4.98	
31	Terminal year	31-Mar-52	531.23	133.90	93.11	-93.11	-	133.90	29.14	0.08	10.85	



Sensitivity Analysis

Sensitivity analysis is an analysis technique that works on the basis of what-if analysis like how independent variables can affect the dependent variable. As discussed above, DCF valuation involves use of critical inputs to determine equity value, these critical inputs are independent variables and resultant equity value is dependent variable.

The table below is a what-if analysis table, wherein the impact on equity value and enterprise value has been produced considering critical input being discount rates vary by 50 basis points in either direction.

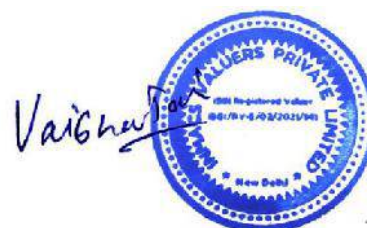
Sensitivity	Equity Value	Enterprise Value
	(in ₹ millions)	
Discount rates	9.01%	3,798.98
	8.00%	4,146.62
	8.50%	3,965.80
	9.00%	3,801.18
	9.50%	3,650.60
	10.00%	3,512.29

10.2.3 Additional Disclosures

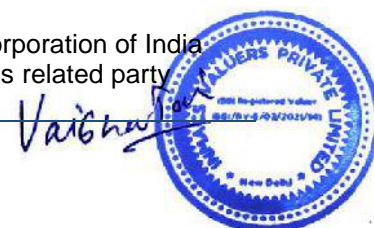
The Schedule V of the SEBI InvIT Regulations prescribes the minimum set of mandatory disclosures to be made in the valuation report.

Below is the additional information as required by the regulations

Parameter	Details
List of one-time sanctions/approvals which are obtained or pending:	The list is enclosed in Annexure – 2 to the report.
List of up to date/ overdue periodic clearances:	We have included the details in Annexure – 2 to the report.
Statement of assets included:	The details of assets of PKATL as of March 31 st , 2023 are provided in Annexure – 7.



Parameter	Details										
Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:	<p>We understand from the Management that no major repairs and improvements of the assets have been performed till date. Also, PKATL does not plan to perform any major repairs and improvements during the life of the project except CAPEX requirement captured above in the analysis.</p> <p>However, PKATL incurs regular annual maintenance charges of Transmission Lines. The projected operation and maintenance charges for the life the project along with the projected inflation rate is as follows:</p> <table border="1"> <thead> <tr> <th>Expenses</th> <th>O&M Expenses</th> </tr> </thead> <tbody> <tr> <td>FY 2024</td> <td>49.20</td> </tr> <tr> <td>FY 2025</td> <td>50.93</td> </tr> <tr> <td>FY 2026</td> <td>52.72</td> </tr> <tr> <td>Annual inflation rate FY24 to FY51</td> <td>3.51%</td> </tr> </tbody> </table> <p>Source: Management input Expenses in ₹ millions</p>	Expenses	O&M Expenses	FY 2024	49.20	FY 2025	50.93	FY 2026	52.72	Annual inflation rate FY24 to FY51	3.51%
Expenses	O&M Expenses										
FY 2024	49.20										
FY 2025	50.93										
FY 2026	52.72										
Annual inflation rate FY24 to FY51	3.51%										
Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges if any.	The Management has informed that there are no dues including local authority taxes pending to be payable to the Government authorities except as disclosed in the audited financial statements.										
On-going material litigations including tax disputes in relation to the assets, if any;	The list of on-going material litigations including tax disputes in relation to PKATL are provided in Annexure – 12.										
Vulnerability to natural or induced hazards that may not have been covered in town planning building control.	Management has confirmed that there are no such natural or induced hazards which have not been considered in town planning/ building control.										
Latest Pictures of the project along with date of physical inspection	Please refer Annexure – 17.										
Valuation of the project in the previous 3 years	<p>Equity Value for PKATL (100%) as on -</p> <ul style="list-style-type: none"> September 30th, 2022: ₹2,054.60 million (Report dated October 28th, 2022 by Inmacs Valuers Private Limited) March 31st, 2022: ₹2,682.7 million (Report dated May 17th, 2022 by RBSA Valuation Advisors LLP) September 30th, 2021: ₹2,617.5 million (Report dated October 28th, 2021 by RBSA Valuation Advisors LLP) 										
Purchase price of the project by the InvIT	<p>INR 2,022.92 million (Acquired during IPO)</p> <p>Acquisition was made from Power Grid Corporation of India Limited (Sponsor) and the transactions was related party transaction.</p>										



10.3 POWERGRID Parli Transmission Limited

10.3.1 About the company

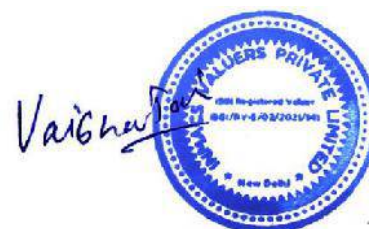
Company	POWERGRID Parli Transmission Limited
CIN	U40109DL2014GOI269652
Incorporation date	July 30, 2014
Gross block as on March 31, 2023	₹19,283.14 millions
TSA date	February 09, 2015
Scheduled COD	January 31, 2018
Project COD	June 04, 2018
Expiry date	35 years from the date of COD
PGCIL shareholding	26%
PGInvIT shareholding	74%

POWERGRID Parli Transmission Limited (PPTL) was incorporated on 30th July 2014. Gadarwara (B) Transmission Limited (erstwhile name of PPTL) entered into a transmission service agreement dated 9th February 2015 with its LTTCs (the "PPTL TSA") for the transmission system associated with Gadarwara STPS (2x800 MW) of NTPC (Part-B) on a BOOM basis.

The project was awarded on 11th March 2015, through the TBCB mechanism, for a 35 years' period from the Scheduled COD (as extended pursuant to a supplementary transmission services agreement dated 18th June 2019), i.e., 4th June 2018. PPTL was granted transmission license by CERC on 10th July 2015.

Subsequently, PPTL entered into a TSA dated 5th July 2016 with the CTU, inter-state transmission service customers, inter-state transmission service licensees and non-inter-state transmission service licensees whose assets have been certified as being used for inter-state transmission by the RPCs, and a revenue sharing agreement dated 5th July 2016 with the CTU. PPTL operates three transmission lines of 966.12 ckm comprising one 765 kV double circuit line of 693.70 ckm from Warora (Maharashtra) to Parli (Maharashtra), one 765 kV double circuit line of 235.92 ckm from Parli (Maharashtra) to Solapur (Maharashtra), and one 400 kV double circuit line of 36.50 ckm from Parli (New) (Maharashtra) to Parli (PG) (Maharashtra). In addition, the project includes one 765/400 kV substation of an aggregate capacity of 3,000 MVA in Parli (Maharashtra).

As of 31st March 2023, the Gross Block of Property, Plant and Equipment (including Intangibles) was INR 19,283.14 Mn.

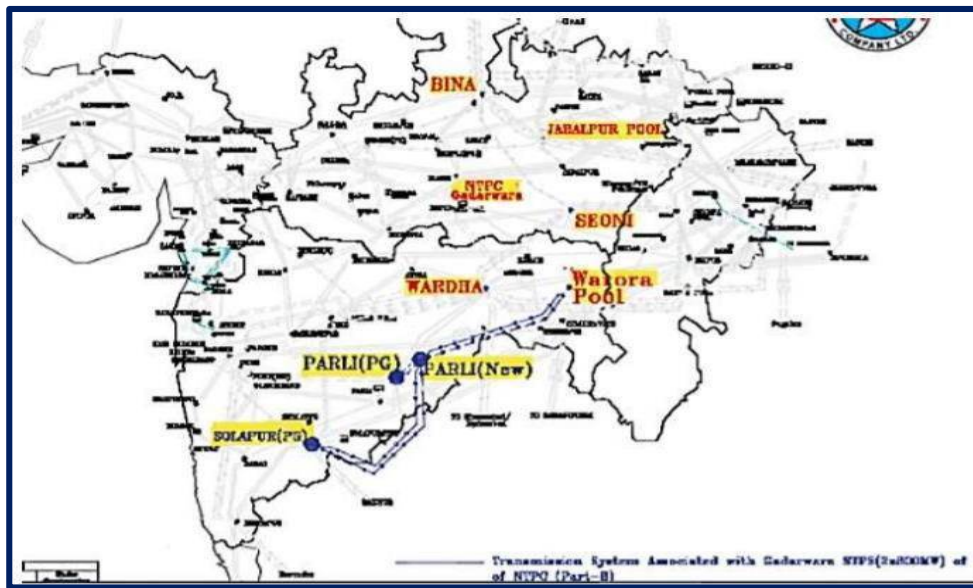


All the elements have been successfully charged and Date of Commercial Operation (DOCO) declared as per details below:

Transmission Line/ Substations	Location	Line length/ Capacity	Specifications	COD	Contribution to total transmission charges
Parli (New) – Solapur	Maharashtra	235.92 ckm	765 kV D/C	27-Apr-18	
Parli (New) – Parli (PG)	Maharashtra	36.50 ckm	400 kV D/C	27-Apr-18	43.00%
Establishment of 2x1500 MVA, Parli (New) S/S	Maharashtra	3000 MVA	765/400 Kv substation	27-Apr-18	
Warora (Pooling Station) – Parli (New)	Maharashtra	693.70 ckm	765 kV D/C	04-Jun-18	57.00%

Source: Management inputs

GRID Map of “Transmission System Associated with Gadawara of NTPC Part-B

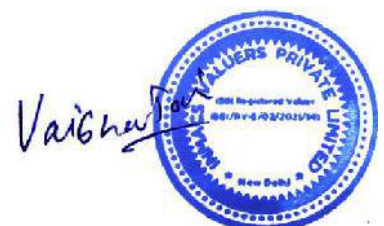


Historical Average Annual Availability of PPTL



Source: Management Input

Note: Average availability for FY 2022-23 is on provisional basis



We have been provided with the financial projections of the PPTL for balance tenor of the TSA i.e. uptill June 03rd, 2053, therefore we have referred the same for our analysis. Estimation of the net cash flows of the company to be in explicit period based on these financial projections.

The projections of PPTL are based on the following critical inputs:

Inputs	Details
--------	---------

Transmission revenue of PPTL is provided in the TSA for the life of the project. It comprises non-escalable transmission revenue and escalable transmission revenue as follows::

- a. Non-Escalable Transmission Revenue – It has been considered based on long term Transmission Service Agreement of PPTL . We have corroborated the non-escalable transmission revenue provided by the Management in the financial projections with the TSA of PPTL.
- b. Incremental Revenue – In case of PPTL, POWERGRID filed a petition with regard to an increased project cost due to the Change in Law claiming incremental transmission charges as per the TSA and relevant CERC regulations.

In this regard, CERC in its order dated 29th January 2021 awarded a total claim for increase in transmission charges owing to the change in law. As per the CERC order, incremental revenue is computed basis Article 12.2 of the TSA agreement, which states, for every cumulative increase/decrease of each INR 73.9 Mn in the project cost up to the scheduled COD of the Project, the increase/decrease in Non-Escalable Transmission Charges shall be an amount equal to Zero Point Three One Three percent (0.313%) of the Non-Escalable Transmission Charges.

As per the Share Purchase Agreement executed between POWERGRID, IDBI Trusteeship Services Limited (in its capacity as Trustee to PGInvIT), PUTL (in its capacity as Investment Manager to PGInvIT) and PPTL for the transfer of shares to the Trust, the incremental transmission tariff expected to be received by PPTL in future owing to the change in law was supposed to be passed on to the Sponsor (POWERGRID). However, PPTL in March 2022 has purchased the Right of Additional Revenue from POWERGRID at INR 810.1 Mn which was a related party transaction.

In compliance with the CERC order dated 29th January 2021 the total claim for billing owing to the compensation awarded by CERC is hereunder:

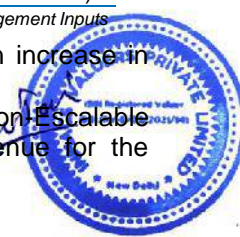
Transmission Revenue

Description	Claim as per petition of PPTL (INR Mn)	Claim allowed as per CERC order (INR Mn)
Increase in acquisition Price by Bid Process Coordinator (BPC)	5.5	3.9
Increase in cost owing to introduction of GST	232.4	220.2
Land Compensation	477.5	433.9
Total	715.4	658
Change in Annual transmission charges as per Article 12.2.1 of the TSA		2.79%
		(658.0*0.313%/73.9)

Source: Management Inputs

Based on the CERC order and Article 12.2.1 of TSA, an increase in Annual transmission charges is 2.79%

The Charge computed above is applied on the projected Non-Escalable Transmission charges to arrive at the incremental revenue for the respective forecast financial year.



Inputs	Details
--------	---------

Incentive

As per the TSA, if the availability in a contract year exceeds the target availability of 98%, PPTL shall be entitled to an annual incentive as follows:

Incentive = 0.02 X Annual Transmission Charges X (Actual Annual Availability – Target Availability)

No incentive shall be payable above the availability of 99.75%. Management expects the annual availability for PPTL at or above 99.75% during the forecast period.

Penalty

If the availability in any contract year falls below 95%, PPTL shall be penalised as per the TSA. As represented to us by the Management, the availability in any contract year shall not fall below 95% during the forecast period and thus the penalty has not been considered in the financial projections.

Operations & Maintenance (“O&M”) Expenses

O&M expenses for PPTL have been estimated by the Management as INR 95.26 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 3.51% per annum as per O&M Agreement and Management estimates. We have relied on the projections provided by the Management.

Project Management (“PM”) Expenses

Project Management expenses for PPTL have been estimated by the Management as INR 14.29 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 3.51% per annum as per Project Implementation and Management Agreement. We have relied on the projections provided by the Management.

License fees

Annual License fee has been estimated by the Management for the forecast period at 0.11% of Annual Transmission Charges as provided under the CERC regulations.

Power charges

Power charges for PPTL have been estimated by the Management at INR 5.94 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 3.51% per annum.

Security charges

Security expenses for PPTL have been estimated by the Management at INR 5.88 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 6.50% per annum.

Insurance Expenses

Insurance expenses for PPTL have been estimated by the Management (based on the invoice obtained from insurer) as INR 69.76 Mn in FY2024. These expenses shall be constant throughout the life of the project.

Key Managerial Personnel Expenses

Key Managerial Personnel Expenses for PPTL have been estimated by the Management as INR 2.70 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 6.50% per annum.



Inputs	Details
System and Market Operation Charges	System and Market Operation Charges for PPTL have been estimated by the Management as INR 4.13 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 6.50% per annum.
Audit Expenses	Audit Expenses for PPTL have been estimated by the Management as INR 0.28 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 10% per annum.
Other Administrative Expenses and Other Expenses	Other Administrative Expenses and Other Expenses for PPTL have been estimated by the Management as INR 0.79 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 10% per annum.
Breakdown Contingencies	The Management has estimated that an amount of INR 0.50 Mn per annum shall be spent with respect to breakdown contingencies for PPTL during the forecast period.
CSR Expense	As per the provisions of Section 135 of the Companies Act 2013, a CSR Expense of 2% of the average profits for the past 3 years for PPTL has been considered.
Depreciation	<p>Depreciation is being calculated using Straight Line Method over the life of the project considering a salvage value of 5% as per the Companies Act, 2013. For calculating depreciation as per Income Tax Act for the projected period, depreciation rate as specified in the Income Tax Act and WDV as per Income Tax Return filed by PPTL have been considered. PPTL is expected to incur certain maintenance capital expenditure during the forecast period. The effect of the same has been considered while computing both book and income tax depreciation.</p> <p>In March 2022, PPTL has purchased the Right of additional revenue from POWERGRID at INR 810.1 Mn as discussed above. The purchase consideration has been recognised as an Intangible asset (Right of Additional Revenue) in the financial statements of PPTL. We understand from the Management that the amortization of the above intangible asset (Right of additional revenue) will be tax deductible under the Income Tax Act, 1961 and, accordingly, we have considered the tax amortisation of the above intangible asset in the valuation.</p>
Tax Rate	PPTL shall pay taxes under the new regime at the rate of 25.17% throughout the forecast period. The effective tax rate throughout the forecast period shall be 25.17%
Working Capital	<p>The Management have envisaged the working capital requirement of PPTL for the forecast period. The major operating working capital assumptions are as follows:</p> <ol style="list-style-type: none"> a. Trade Receivables days – 45 days b. Unbilled Revenue days – 31 days



Inputs	Details
Debt	The borrowings as on 31 st March, 2023 of PPTL is from PGINVIT at an interest rate of 14.5% p.a.
Capital Expenditure	The Management has provided us estimated capital expenditure to be incurred over the forecast period for PPTL. We have relied on the projections provided by the Management.
Contingent Liabilities	The Management represented that, as per the Share Purchase Agreement executed between POWERGRID, IDBI Trusteeship Services Limited (in its capacity as Trustee to PGINVIT), PUTL (in its capacity as Investment Manager to PGINVIT) and Specified SPVs, POWERGRID has undertaken to indemnify, defend and hold harmless the Trust and the Investment Manager from and against losses which relate to or arise from inter-alia any pending or threatened claims against the Specified SPVs from the period prior to and including the First Closing Date i.e. 13 th May 2021 and no major contingent liabilities have arisen for the period after 13 th May 2021. Since no contingent liability has to be borne by PPTL, there is no impact of contingent liability on the valuation.

10.3.2 DCF Valuation Analysis

POWERGRID Parli Transmission Limited DCF Valuation Analysis

Valuation date: March 31, 2023

Particulars	Amount (in millions)
Present value of FCFF for explicit period	20,996.50
add Present value of terminal value	749.27
Business enterprise value	21,745.77
add Cash and bank balance as on date of valuation	765.63
less Borrowings as on date of valuation	13,272.94
Equity value as on date of valuation	9,238.46
Number of equity shares outstanding as on date of valuation (no.s in millions)	322.10
Value per equity share (₹/share)	28.68



Valuation Date 31-Mar-23
 Cost of capital / WACC 9.01%

(in ₹ millions)

S.no	Period length (months)	For the period ended on	Revenues	NOPAT	Depreciation	Capital Expenditure	Change in working capital	Free cash flow to the firm	YearFracs	Present value factors	Present Value
1	2	3	4	5	6	7	8	9 = 5+6+7+8	Mid-year	10	11 = 9 X 10
1	12	31-Mar-24	3,376.42	2,164.95	499.16	-38.26	177.46	2,803.32	0.50	0.96	2,685.01
2	12	31-Mar-25	3,376.42	2,167.26	500.27	-30.10	-	2,637.43	1.50	0.88	2,317.39
3	12	31-Mar-26	3,376.42	2,163.21	500.77	-	-	2,663.97	2.50	0.81	2,147.31
4	12	31-Mar-27	3,376.42	2,157.90	500.77	-	-	2,658.67	3.50	0.74	1,965.95
5	12	31-Mar-28	2,371.94	1,148.93	500.77	-	209.15	1,858.85	4.50	0.68	1,260.96
6	12	31-Mar-29	2,371.94	1,149.85	500.77	-	-	1,650.62	5.50	0.62	1,027.18
7	12	31-Mar-30	2,371.94	1,150.48	500.77	-	-	1,651.25	6.50	0.57	942.67
8	12	31-Mar-31	2,371.94	1,145.01	500.77	-	-	1,645.78	7.50	0.52	861.91
9	12	31-Mar-32	2,371.94	1,138.35	500.77	-	-	1,639.12	8.50	0.48	787.50
10	12	31-Mar-33	2,371.94	1,131.42	500.77	-	-	1,632.18	9.50	0.44	719.37
11	12	31-Mar-34	2,371.94	1,124.18	500.77	-	-	1,624.95	10.50	0.40	657.00
12	12	31-Mar-35	2,371.94	1,116.63	500.77	-	-	1,617.39	11.50	0.37	599.92
13	12	31-Mar-36	2,371.94	1,108.74	500.77	-	-	1,609.51	12.50	0.34	547.67
14	12	31-Mar-37	2,371.94	1,100.52	500.77	-	-	1,601.29	13.50	0.31	499.84
15	12	31-Mar-38	2,371.94	1,091.93	500.77	-	-	1,592.70	14.50	0.29	456.08
16	12	31-Mar-39	2,371.94	1,082.96	500.77	-	-	1,583.72	15.50	0.26	416.04
17	12	31-Mar-40	2,371.94	1,073.58	500.77	-	-	1,574.35	16.50	0.24	379.41
18	12	31-Mar-41	2,371.94	1,063.79	500.77	-	-	1,564.56	17.50	0.22	345.89
19	12	31-Mar-42	2,371.94	1,047.40	500.77	-	-	1,548.17	18.50	0.20	313.99
20	12	31-Mar-43	2,371.94	1,030.72	500.77	-	-	1,531.49	19.50	0.19	284.94
21	12	31-Mar-44	2,371.94	1,018.92	500.77	-	-	1,519.69	20.50	0.17	259.38
22	12	31-Mar-45	2,371.94	1,008.58	500.77	-	-	1,509.34	21.50	0.16	236.33
23	12	31-Mar-46	2,371.94	998.06	500.77	-	-	1,498.83	22.50	0.14	215.29
24	12	31-Mar-47	2,371.94	987.32	500.77	-	-	1,488.09	23.50	0.13	196.09
25	12	31-Mar-48	2,371.94	976.30	500.77	-	-	1,477.07	24.50	0.12	178.55
26	12	31-Mar-49	2,371.94	964.95	500.77	-	-	1,465.72	25.50	0.11	162.54
27	12	31-Mar-50	2,371.94	952.60	500.77	-	-	1,453.37	26.50	0.10	147.85
28	12	31-Mar-51	2,371.94	937.14	500.77	-	-	1,437.91	27.50	0.09	134.19
29	12	31-Mar-52	2,371.94	920.93	500.77	-	-	1,421.69	28.50	0.09	121.72
30	12	31-Mar-53	2,371.94	903.92	500.77	-	-	1,404.69	29.50	0.08	110.33
31	3	03-Jun-53	415.90	155.87	87.63	-	-	243.51	30.09	0.07	18.18
32	Terminal year	Terminal Value	2,371.94	903.92	500.77	-500.77	-	903.92	30.09	0.07	67.49



Sensitivity Analysis

Sensitivity analysis is an analysis technique that works on the basis of what-if analysis like how independent variables can affect the dependent variable. As discussed above, DCF valuation involves use of critical inputs to determine equity value, these critical inputs are independent variables and resultant equity value is dependent variable.

The table below is a what-if analysis table, wherein the impact on equity value and enterprise value has been produced considering critical input being discount rates vary by 50 basis points in either direction.

Sensitivity	Equity Value	Enterprise Value
	(in ₹ millions)	
9.01%	9,238.46	21,745.77
8.00%	11,213.17	23,720.48
8.50%	10,183.43	22,690.74
9.00%	9,250.88	21,758.19
9.50%	8,401.87	20,909.18
10.00%	7,625.27	20,132.58

10.3.3 Additional Disclosures

The Schedule V of the SEBI InvIT Regulations prescribes the minimum set of mandatory disclosures to be made in the valuation report.

Below is the additional information as required by the regulations

Parameter	Details
List of one-time sanctions/approvals which are obtained or pending:	The list is enclosed in Annexure – 3 to the report.
List of up to date/ overdue periodic clearances:	We have included the details in Annexure – 3 to the report.
Statement of assets included:	The details of assets of PPTL as of March 31 st , 2023 are provided in Annexure – 8.
Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:	We understand from the Management that no major repairs and improvements of the assets have been performed till date. Also, PPTL does not plan to perform any major repairs and improvements during the life of the project except CAPEX requirement captured above in the analysis. However, PPTL incurs regular annual maintenance charges of Transmission Lines. The projected operation and maintenance charges for the life the project along with the projected inflation rate is as follows:



	Expenses	O&M Expenses
	FY 2024	95.26
	FY 2025	98.61
	FY 2026	102.07
	Annual inflation rate FY24 to FY51	3.51%
<i>Source: Management input</i>		
<i>Expenses in ₹ millions</i>		
Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges if any.	The Management has informed that there are no dues including local authority taxes pending to be payable to the Government authorities except as disclosed in the audited financial statements.	
On-going material litigations including tax disputes in relation to the assets, if any;	The list of on-going material litigations including tax disputes in relation to PPTL are provided in Annexure – 13.	
Vulnerability to natural or induced hazards that may not have been covered in town planning building control.	Management has confirmed that there are no such natural or induced hazards which have not been considered in town planning/ building control.	
Latest Pictures of the project along with date of physical inspection	Please refer Annexure – 18.	
Valuation of the project in the previous 3 years	Equity Value for PPTL (100%) as on - <ul style="list-style-type: none"> September 30th, 2022: ₹9,372.53 million (Report dated October 28th, 2022 by Inmacs Valuers Private Limited) March 31st, 2022: ₹ 12,715.1million (Report dated May 17th, 2022 by RBSA Valuation Advisors LLP) September 30th, 2021: ₹12,944.80 million (Report dated October 28th, 2021 by RBSA Valuation Advisors LLP) 	
Purchase price of the project by the InvIT	INR 9,919.16 million (Acquired during IPO) Acquisition was made from Power Grid Corporation of India Limited (Sponsor) and the transaction was related party transaction.	



10.4 POWERGRID Warora Transmission Limited

10.4.1 About the company

Company	POWERGRID Warora Transmission Limited
CIN	U40300DL2014GOI269918
Incorporation date	August 05, 2014
Gross block as on March 31, 2023	₹23,483.06 Millions
TSA date	February 09, 2015
Scheduled COD	November 2017
Project COD	July 10, 2018
Expiry date	35 years from the date of COD
PGCIL shareholding	26%
PGInvT shareholding	74%

The project was awarded on 11th March 2015, through the TCB mechanism, for a 35 years' period from the Scheduled COD (as extended pursuant to a supplementary transmission services agreement dated 11th September 2019), i.e., 10th July 2018. PWTL was granted transmission license by CERC on 5th August 2015.

Subsequently, PWTL entered into a TSA dated 27th October 2016 with the CTU, inter-state transmission service customers, inter-state transmission service licensees and non-inter-state transmission service licensees whose assets have been certified as being used for inter-state transmission by the RPCs, and a revenue sharing agreement dated 27th October 2016 with the CTU.

PWTL operates four transmission lines of 1,028.11 ckm comprising two 765 kV double circuit line of 204.47 ckm from Gadarwara (Madhya Pradesh) to Jabalpur (Madhya Pradesh), one 765 kV double circuit line of 627.35 ckm from Gadarwara (Madhya Pradesh) to Warora (Maharashtra), and one 400 kV double circuit line of 196.29 ckm from Wardha and Parli (Maharashtra) to Warora (Maharashtra). In addition, PWTL has established one 765/400 kV substation in Warora (Maharashtra).

As of 31st March 2023, the Gross Block of Property, Plant and Equipment (including Intangibles) was INR 23,483.06 Mn.

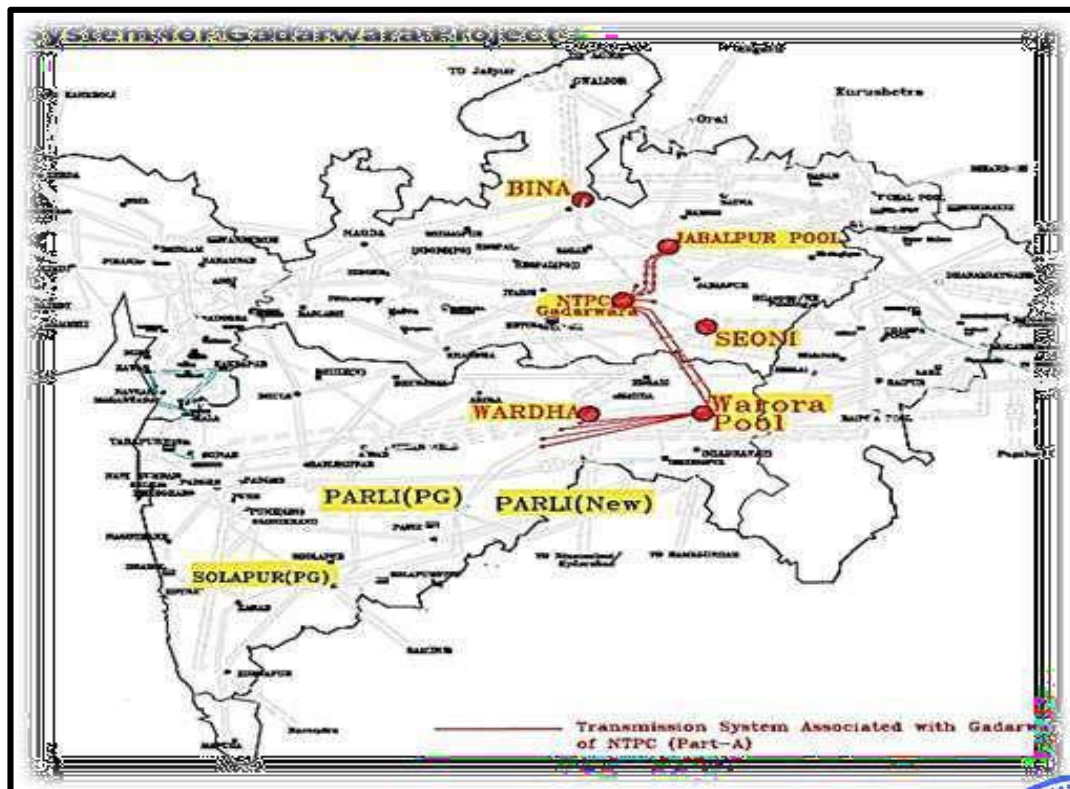


All the elements have been successfully charged and Date of Commercial Operation (DOC) declared as per details below:

Transmission Line/ Substations	Location	Line length/ Capacity	Specifications	COD	Contribution to total transmission charges
As per the interim arrangement, LILO of existing Seoni-Bina 765kV S/C line at Gadarwara STPS would be established. At a later date, LILO portion would be delinked from Seoni- Bina 765kV S/C line to restore the Seoni-Bina765 S/C direct line, and the LILO portion would be extended to the Jabalpur 765/400 kV Pooling Station to form the proposed Gadarwara 765/400kV Pooling Station to form the proposed Gadarwara- Jabalpur Pool 765 kV D/C line	Madhya Pradesh	30.55 ckm	765 kV D/C	30-Nov-16	21.00%
Gadarwara STPS-Jabalpur Pool	Madhya Pradesh	173.92 ckm	765 kV D/C	31-May-17	
Gadarwara STPS-New Pooling Station within the jurisdiction/ boundary of Warora	Madhya Pradesh and Maharashtra	627.35 ckm	765 kV D/C	10-Jul-18	
LILO of both circuits of Wardha - Parli (PG) 400 kV D/C line at Warora* Pooling Station (Quad)	Maharashtra	196.29 ckm	400 kV D/C	16-May-18	79.00%
Establishment of 2X1500 MVA 765/400 kV (New Pooling Station within the jurisdiction/boundary Warora)	Maharashtra	3,000 MVA	765/400 kV	10-Jul-18	

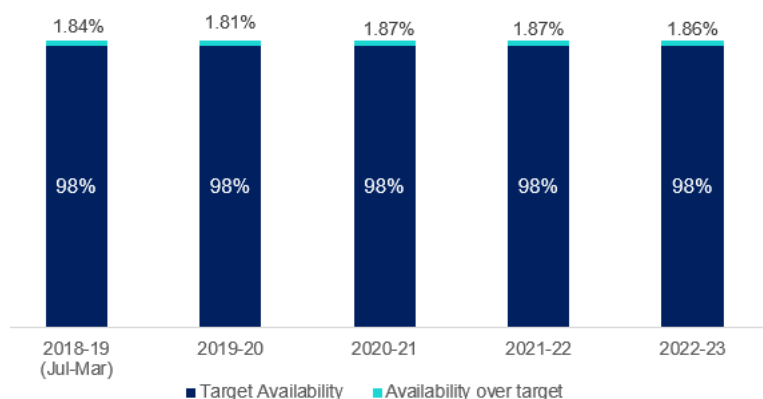
Source: Management inputs

GRID Map of “Transmission System Associated with Gadarwara of NTCP Part-A



Vaighanesh

Historical Average Annual Availability of PWTL:



Source: Management Input

Note: Average availability for FY 2022-23 is on provisional basis

We have been provided with the financial projections of the PWTL for balance tenor of the TSA i.e. uptill July 09th, 2053, therefore we have referred the same for our analysis. Estimation of the net cash flows of the company to be in explicit period based on these financial projections.

The projections of PWTL are based on the following critical inputs:

Inputs	Details
	<p>Transmission revenue of PWTL is provided in the TSA for the life of the project. It comprises non-escalable transmission revenue and escalable transmission revenue as follows::</p> <ol style="list-style-type: none"> <u>Non-Escalable Transmission Revenue</u> – It has been considered as per long term Transmission Service Agreement of PWTL. We have corroborated the non-escalable transmission revenue provided by the Management in the financial projections with the TSA of PWTL. <u>Incremental Revenue</u> – In case of PWTL, POWERGRID filed a petition with regard to an increased project cost due to the Change in Law claiming incremental transmission charges as per the TSA and relevant CERC regulations..
Transmission Revenue	<p>In this regard, CERC in its order dated 25th January 2021 awarded a total claim for increase in transmission charges owing to the change in law. As per the CERC order, incremental revenue is computed basis Article 12.2 of the TSA agreement, which states, for every cumulative increase/decrease of each INR 79.0 Mn in the project cost up to the scheduled COD of the Project, the increase/decrease in Non-Escalable Transmission Charges shall be an amount equal to Zero Point Three One Three percent (0.313%) of the Non-Escalable Transmission Charges.</p> <p>As per the Share Purchase Agreement executed between POWERGRID, IDBI Trusteeship Services Limited (in its capacity as Trustee to PGINVT), PUTL (in its capacity as Investment Manager to PGINVT) and PWTL for the transfer of shares to the Trust, the incremental transmission tariff expected to be received by PWTL in future owing to the change in law was supposed to be passed on to the Sponsor (POWERGRID). However, PWTL in March</p>



2022 has purchased the Right of Additional Revenue from POWERGRID at INR 1,118.4 Mn which was a related party transaction. In compliance with the CERC order dated 25th January 2021 the total claim for billing owing to the compensation awarded by CERC is hereunder:

Description	Claim as per petition of PWTL (INR Mn)	Claim allowed as per CERC order (INR Mn)
Increase in acquisition Price by Bid Process Coordinator (BPC)	5.8	4.0
Increase in cost owing to introduction of GST	201.7	189.7
Land Compensation	747.8	675.8
Total	955.3	869.5
Change in Annual transmission charges as per Article 12.2.1 of the TSA		3.45%
		(869.5*0.313%/79)

Source: Management Inputs

Based on the CERC order and Article 12.2.1 of TSA, an increase in Annual transmission charges is 3.45%

The Charge computed above is applied on the projected Non-Escalable Transmission charges to arrive at the incremental revenue for the respective forecast financial year

As per the TSA, if the availability in a contract year exceeds the target availability of 98%, PWTL shall be entitled to an annual incentive as follows:

Incentive

Incentive = 0.02 X Annual Transmission Charges X (Actual Annual Availability – Target Availability)

No incentive shall be payable above the availability of 99.75%. Management expects the annual availability for PWTL at or above 99.75% during the forecast period.


Penalty

If the availability in any contract year falls below 95%, PWTL shall be penalised as per the TSA. As represented to us by the Management, the availability in any contract year shall not fall below 95% during the forecast period and thus the penalty has not been considered in the financial projections.

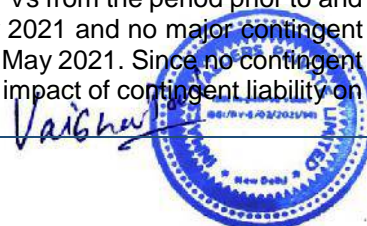


Inputs	Details
Operations & Maintenance (“O&M”) Expenses	O&M expenses for PWTL have been estimated by the Management at INR 95.26 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 3.51% per annum as per O&M Agreement and Management estimates. We have relied on the projections provided by the Management.
Project Management (“PM”) Expenses	Project Management expenses for PWTL have been estimated by the Management at INR 14.29 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 3.51% per annum as per Project Implementation and Management Agreement. We have relied on the projections provided by the Management.
License fees	Annual License fee has been estimated by the Management for the forecast period at 0.11% of Annual Transmission Charges as provided under the CERC regulations.
Power charges	Power charges for PWTL have been estimated by the Management at INR 6.84 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 3.51% per annum.
Security charges	Security expenses for PWTL have been estimated by the Management at INR 6.10 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 6.50% per annum.
Insurance Expenses	Insurance expenses for PWTL have been estimated by the Management (based on the invoice obtained from insurer) at INR 80.96 Mn in FY2024. Insurance expenses are expected to remain constant throughout the life of the project.
Key Managerial Personnel Expenses	Key Managerial Personnel Expenses for PWTL have been estimated at INR 2.70 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 6.50% per annum.
System and Market Operation Charges	System and Market Operation Charges for PWTL have been estimated by the Management at INR 4.39 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 6.50% per annum.
Audit Expenses	Audit Expenses for PWTL have been estimated by the Management at INR 0.28 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 10% per annum.
Other Administrative Expenses and Other Expenses	Other Administrative Expenses and Other Expenses for PWTL have been estimated by the Management at INR 0.78 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 10% per annum.

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Inputs	Details
Breakdown Contingencies	The Management has estimated that an amount of INR 0.50 Mn per annum shall be spent with respect to breakdown contingencies for PWTL during the forecast period.
CSR Expense	As per the provisions of Section 135 of the Companies Act 2013, a CSR Expense of 2% of the average profits for the past 3 years for PWTL has been considered.
Depreciation	<p>Depreciation is being calculated using Straight Line Method over the life of the project considering a salvage value of 5% as per the Companies Act, 2013. For calculating depreciation as per Income Tax Act for the projected period, depreciation rate as specified in the Income Tax Act and WDV as per Income Tax Return filed by PWTL have been considered. PWTL is expected to incur certain maintenance capital expenditure during the forecast period. The effect of the same has been considered while computing both book and income tax depreciation.</p> <p>In March 2022, PWTL has purchased the Right of additional revenue from POWERGRID at INR 1,118.4 Mn as discussed above. The purchase consideration has been recognised as an Intangible asset (Right of Additional Revenue) in the balance sheet of PWTL. We understand from the Management that the amortization of the above intangible asset (Right of additional revenue) will be tax deductible under the Income Tax Act, 1961 and, accordingly, we have considered the tax amortisation of the above intangible asset in the valuation.</p>
Tax Rate	PWTL shall pay taxes under the new regime at the rate of 25.17% throughout the forecast period. The effective tax rate throughout the forecast period shall be 25.17%
Working Capital	<p>The Management have envisaged the working capital requirement of PWTL for the forecast period. The major operating working capital assumptions are as follows:</p> <ol style="list-style-type: none"> a. Trade Receivables days – 45 days b. Unbilled Revenue days – 31 days
Debt	The borrowings as on 31 st March, 2023 of PWTL is from PGINVIT at an interest rate of 14.5% p.a.
Capital Expenditure	The Management has provided us estimated capital expenditure to be incurred over the forecast period for PWTL. We have relied on the projections provided by the Management.
Contingent Liabilities	<p>The Management represented that, as per the Share Purchase Agreement executed between POWERGRID, IDBI Trusteeship Services Limited (in its capacity as Trustee to PGINVIT), PUTL (in its capacity as Investment Manager to PGINVIT) and Specified SPVs, POWERGRID has undertaken to indemnify, defend and hold harmless the Trust and the Investment Manager from and against losses which relate to or arise from inter-alia any pending or threatened claims against the Specified SPVs from the period prior to and including the First Closing Date i.e. 13th May 2021 and no major contingent liabilities have arisen for the period after 13th May 2021. Since no contingent liability has to be borne by PWTL, there is no impact of contingent liability on the valuation.</p>



10.4.2 DCF Valuation Analysis

POWERGRID Warora Transmission Limited

DCF Valuation Analysis

Valuation date: March 31, 2023

Particulars	Amount (in millions)
Present value of FCFF for explicit period	23,122.93
add Present value of terminal value	790.99
Business enterprise value	23,913.93
add Cash and bank balance as on date of valuation	584.61
less Borrowings as on date of valuation	15,987.07
Equity value as on date of valuation	8,511.47
Number of equity shares outstanding as on date of valuation (no.s in millions)	393.30
Value per equity share (₹/share)	21.64

Valuation Date		31-Mar-23										
Cost of capital / WACC		9.01%										
(in ₹ millions)												
S.no	Period length (months)	For the period ended on	Revenues	NOPAT	Depreciation	Capital Expenditure	Change in working capital	Free cash flow to the firm	YearFrac	Present value factors	Present Value	
1	2	3	4	5	6	7	8	9 = 5+6+7+8	Mid-year	10	11 = 9 X 10	
1	12	31-Mar-24	3,769.46	2,338.80	606.04	-75.42	178.89	3,048.31	0.50	0.96	2,919.65	
2	12	31-Mar-25	3,769.46	2,342.82	607.41	-10.00	-	2,940.22	1.50	0.88	2,583.44	
3	12	31-Mar-26	3,769.46	2,339.67	607.57	-	-	2,947.24	2.50	0.81	2,375.64	
4	12	31-Mar-27	3,769.46	2,334.53	607.88	-17.29	-	2,925.12	3.50	0.74	2,162.98	
5	12	31-Mar-28	2,648.04	1,208.60	608.18	-	233.50	2,050.29	4.50	0.68	1,390.82	
6	12	31-Mar-29	2,648.04	1,210.28	608.38	-10.00	-	1,808.66	5.50	0.62	1,125.53	
7	12	31-Mar-30	2,648.04	1,208.70	608.57	-	-	1,817.27	6.50	0.57	1,037.45	
8	12	31-Mar-31	2,648.04	1,202.55	608.57	-	-	1,811.12	7.50	0.52	948.51	
9	12	31-Mar-32	2,648.04	1,195.21	609.51	-43.10	-	1,761.62	8.50	0.48	846.35	
10	12	31-Mar-33	2,648.04	1,187.61	610.45	-	-	1,798.06	9.50	0.44	792.48	
11	12	31-Mar-34	2,648.04	1,180.68	610.45	-	-	1,791.13	10.50	0.40	724.20	
12	12	31-Mar-35	2,648.04	1,172.33	611.59	-45.10	-	1,738.82	11.50	0.37	644.95	
13	12	31-Mar-36	2,648.04	1,163.68	612.73	-	-	1,776.41	12.50	0.34	604.45	
14	12	31-Mar-37	2,648.04	1,155.85	612.73	-	-	1,768.59	13.50	0.31	552.07	
15	12	31-Mar-38	2,648.04	1,146.38	614.06	-44.10	-	1,716.34	14.50	0.29	491.49	
16	12	31-Mar-39	2,648.04	1,136.56	615.39	-	-	1,751.95	15.50	0.26	460.23	
17	12	31-Mar-40	2,648.04	1,127.71	615.39	-	-	1,743.10	16.50	0.24	420.07	
18	12	31-Mar-41	2,648.04	1,117.30	616.58	-32.00	-	1,701.88	17.50	0.22	376.25	
19	12	31-Mar-42	2,648.04	1,106.50	617.77	-	-	1,724.27	18.50	0.20	349.70	
20	12	31-Mar-43	2,648.04	1,096.47	617.77	-	-	1,714.24	19.50	0.19	318.94	
21	12	31-Mar-44	2,648.04	1,084.07	619.70	-39.80	-	1,663.98	20.50	0.17	284.01	
22	12	31-Mar-45	2,648.04	1,071.22	621.64	-	-	1,692.86	21.50	0.16	265.07	
23	12	31-Mar-46	2,648.04	1,059.83	621.64	-	-	1,681.47	22.50	0.14	241.53	
24	12	31-Mar-47	2,648.04	1,044.92	624.65	-43.00	-	1,626.57	23.50	0.13	214.34	
25	12	31-Mar-48	2,648.04	1,029.47	627.67	-	-	1,657.14	24.50	0.12	200.32	
26	12	31-Mar-49	2,648.04	1,016.49	627.67	-	-	1,644.16	25.50	0.11	182.33	
27	12	31-Mar-50	2,648.04	1,002.92	627.67	-	-	1,630.59	26.50	0.10	165.88	
28	12	31-Mar-51	2,648.04	988.73	627.67	-	-	1,616.40	27.50	0.09	150.85	
29	12	31-Mar-52	2,648.04	973.90	627.67	-	-	1,601.56	28.50	0.09	137.12	
30	12	31-Mar-53	2,648.04	958.37	627.67	-	-	1,586.04	29.50	0.08	124.57	
31	4	09-Jul-53	725.49	253.84	172.61	-	-	426.45	30.14	0.07	31.70	
32	Terminal year	Terminal Value	2,648.04	958.37	627.67	-627.67	-	958.37	30.14	0.07	71.24	



Sensitivity Analysis

Sensitivity analysis is an analysis technique that works on the basis of what-if analysis like how independent variables can affect the dependent variable. As discussed above, DCF valuation involves use of critical inputs to determine equity value, these critical inputs are independent variables and resultant equity value is dependent variable.

The table below is a what-if analysis table, wherein the impact on equity value and enterprise value has been produced considering critical input being discount rates vary by 50 basis points in either direction.

Sensitivity	Equity Value	Enterprise Value
	(in ₹ millions)	
9.01%	8,511.47	23,913.93
8.00%	10,677.82	26,080.28
8.50%	9,548.48	24,950.94
9.00%	8,525.10	23,927.56
9.50%	7,592.91	22,995.37
10.00%	6,739.87	22,142.33

10.4.3 Additional Disclosures

The Schedule V of the SEBI InvIT Regulations prescribes the minimum set of mandatory disclosures to be made in the valuation report.

Below is the additional information as required by the regulations

Parameter	Details
List of one-time sanctions/approvals which are obtained or pending	The list is enclosed in Annexure – 4 to the report.
List of up to date/ overdue periodic clearances	We have included the details in Annexure – 4 to the report.
Statement of assets included:	The details of assets of PWTL as of March 31 st , 2023 are provided in Annexure – 9.



Parameter	Details										
Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:	<p>We understand from the Management that no major repairs and improvements of the assets have been performed till date. Also, PWTL does not plan to perform any major repairs and improvements during the life of the project except CAPEX requirement captured above in the analysis.</p> <p>However, PWTL incurs regular annual maintenance charges of Transmission Lines. The projected operation and maintenance charges for the life the project along with the projected inflation rate is as follows:</p> <table border="1"> <thead> <tr> <th>Expenses</th> <th>O&M Expenses</th> </tr> </thead> <tbody> <tr> <td>FY 2024</td> <td>95.26</td> </tr> <tr> <td>FY 2025</td> <td>98.61</td> </tr> <tr> <td>FY 2026</td> <td>102.07</td> </tr> <tr> <td>Annual inflation rate FY24 to FY51</td> <td>3.51%</td> </tr> </tbody> </table> <p><i>Source: Management input</i> <i>Expenses in ₹ millions</i></p>	Expenses	O&M Expenses	FY 2024	95.26	FY 2025	98.61	FY 2026	102.07	Annual inflation rate FY24 to FY51	3.51%
Expenses	O&M Expenses										
FY 2024	95.26										
FY 2025	98.61										
FY 2026	102.07										
Annual inflation rate FY24 to FY51	3.51%										
Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges if any.	The Management has informed that there are no dues including local authority taxes pending to be payable to the Government authorities except as disclosed in the audited financial statements.										
On-going material litigations including tax disputes in relation to the assets, if any	The list of on-going material litigations including tax disputes in relation to PWTL are provided in Annexure – 14.										
Vulnerability to natural or induced hazards that may not have been covered in town planning building control.	Management has confirmed that there are no such natural or induced hazards which have not been considered in town planning/ building control.										
Latest Pictures of the project along with date of physical inspection	Please refer Annexure – 19.										
Valuation of the project in the previous 3 years	<p>Equity Value for PWTL (100%) as on -</p> <ul style="list-style-type: none"> September 30th, 2022: ₹ 8,893.22million (Report dated October 28th, 2022 by Inmacs Valuers Private Limited) March 31st, 2022: ₹ 13,173.2million (Report dated May 17th, 2022 by RBSA Valuation Advisors LLP) September 30th, 2021: ₹ 13,537.1 million (Report dated October 28th, 2021 by RBSA Valuation Advisors LLP) 										
Purchase price of the project by the InvIT	<p>INR 10,327.52 million (Acquired during IPO)</p> <p>Acquisition was made from Power Grid Corporation of India Limited (Sponsor) and the transaction was related party transaction.</p>										



10.5 POWERGRID Jabalpur Transmission Limited

10.5.1 About the company

Company	POWERGRID Jabalpur Transmission Limited
CIN	U40300DL2014GOI270433
Incorporation date	August 14, 2014
Gross block as on March 31, 2023	₹16,407.57 millions
TSA date	November 19, 2014
Scheduled COD	June 26, 2018
Project COD	January 01, 2019
Expiry date	35 years from the date of COD
PGCIL shareholding	26%
PGInvIT shareholding	74%

The project was awarded on 10th February 2015, through the TBCB mechanism, for a 35-year period from the Scheduled COD, i.e., 25th June 2018. As of the date, PJTL proposes to enter into a supplementary agreement to extend the Scheduled COD under the PJTL TSA to the date of the actual COD i.e., 1st January 2019. PJTL was granted transmission license by CERC on 15th June 2015.

Subsequently, PJTL entered into a TSA dated 22nd August 2016 with the CTU, inter-state transmission service customers, inter-state transmission service licensees and non-inter-state transmission service licensees whose assets have been certified as being used for inter-state transmission by the RPCs, and a revenue sharing agreement dated 22nd August 2016 with the CTU.

PJTL operates one transmission line of 745.01 ckm comprising 765 kV double circuit line of from Vindhychal Pooling Station to Jabalpur Pooling Station.

As of 31st March 2023, the Gross Block of Property, Plant and Equipment (including Intangibles) was INR 16,407.57 Mn.

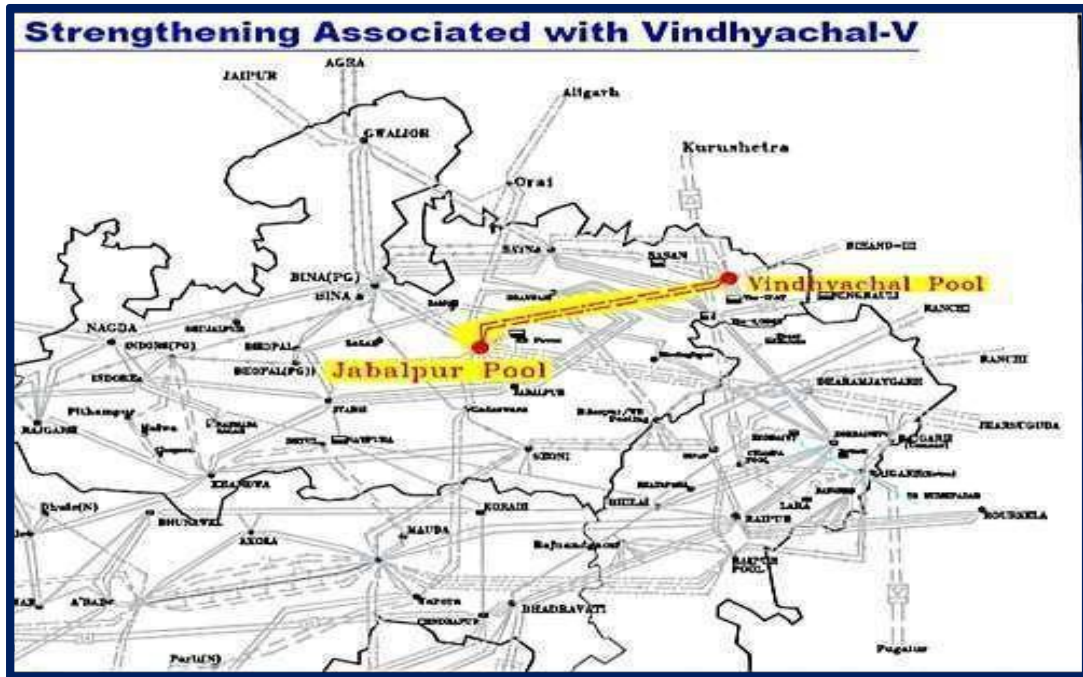
All the elements have been successfully charged and Date of Commercial Operation (DOCO) declared as per details below:

Transmission Line/ Substations	Location	Line length/ Capacity	Specifications	COD	Contribution to total transmission charges
Vindhychal Pooling Station- Jabalpur Pooling Station 765 kV D/C line	Madhya Pradesh	745.01 ckm	745.01 ckm	01-Jan-19	100.00%

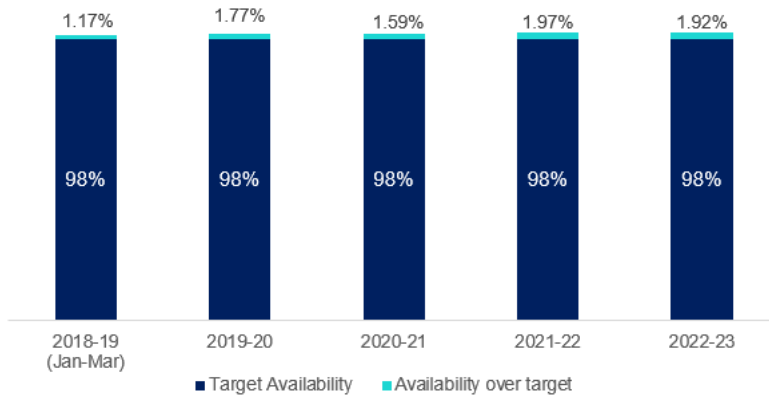
Source: Management inputs



GRID Map of “Transmission System Strengthening associated with Vindhyachal-V



Historical Average Annual Availability of PJTL



Source: Management Input

Note: Average availability for FY 2022-23 is on provisional basis

We have been provided with the financial projections of the PJTL for balance tenor of the TSA i.e. uptill December 31st, 2053, therefore we have referred the same for our analysis. Estimation of the net cash flows of the company to be in explicit period based on these financial projections.



The projections of PJTL are based on the following critical inputs:

Inputs	Details
--------	---------

Transmission revenue of PJTL is provided in the TSA for the life of the project. It comprises non-escalable transmission revenue and escalable transmission revenue as follows::

- a. Non-Escalable Transmission Revenue – It has been considered based on long term Transmission Service Agreement of PJTL. We have corroborated the non-escalable transmission revenue provided by the Management in the financial projections with the TSA of PJTL.
- b. Incremental Revenue – In case of PJTL, POWERGRID filed a petition with regard to an increased project cost due to the Change in Law claiming incremental transmission charges as per the TSA and relevant CERC regulations.

In this regard, CERC in its order dated 28th October 2021, awarded a total claim for increase in transmission charges owing to the change in law. As per the CERC order, incremental revenue is computed basis Article 12.2 of the TSA agreement, which states, for every cumulative increase/decrease of each INR 37.6 Mn in the project cost up to the scheduled COD of the Project, the increase/decrease in Non-Escalable Transmission Charges shall be an amount equal to Zero Point Three One Three percent (0.313%) of the Non-Escalable Transmission Charges.

As per the Share Purchase Agreement executed between POWERGRID, IDBI Trusteeship Services Limited (in its capacity as Trustee to PGInvIT), PUTL (in its capacity as Investment Manager to PGInvIT) and PJTL for the transfer of shares to the Trust, the incremental transmission tariff expected to be received by PJTL in future owing to the change in law was supposed to be passed on to the Sponsor (POWERGRID). However, PJTL in March 2022 has purchased the Right of Additional Revenue from POWERGRID at INR 1,113.0 Mn which was a related party transaction.

Transmission Revenue

In compliance with the CERC order dated 28th October 2021 and LTTC's reply (Maharashtra State Electricity Distribution Company limited), dated 21st January 2022, the total claim for billing owing to the compensation awarded by CERC is hereunder:

Description	Claim as per petition of PWTL (INR Mn)	Claim allowed as per CERC order (INR Mn)
Increase in acquisition Price by Bid Process Coordinator (BPC)	3.5	2.3
Increase in cost owing to introduction of GST	210.3	191.4
Land Compensation	552.6	434.1
Total	766.4	627.8
Change in Annual transmission charges as per Article 12.2.1 of the TSA		5.23%
		(627.8*0.313%/37.6)

Source: Management Inputs

*CERC order and as agreed by LTTC Maharashtra State Electricity Distribution Company Limited

Based on CERC order and Article 12.2.1 of TSA an increase in Annual transmission charges is 5.23%.

The Charge computed above is applied on the project's Non-Escalable Transmission charges to arrive at the incremental revenue for the respective forecast financial year.



Incentive

As per the TSA, if the availability in a contract year exceeds the target availability of 98%, PJTL shall be entitled to an annual incentive as follows:

Incentive = 0.02 X Annual Transmission Charges X (Actual Annual Availability – Target Availability)

No incentive shall be payable above the availability of 99.75%. Management expects the annual availability for PJTL at or above 99.75% during the forecast period.

Penalty

If the availability in any contract year falls below 95%, PJTL shall be penalised as per the TSA. As represented to us by the Management, the availability in any contract year shall not fall below 95% during the forecast period and thus the penalty has not been considered in the financial projections.

Operations & Maintenance (“O&M”) Expenses

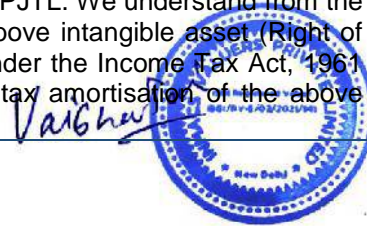
O&M expenses for PJTL have been estimated by the Management at INR 31.93 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 3.51% per annum as per O&M Agreement and Management estimates. We have relied on the projections provided by the Management.

Project Management (“PM”) Expenses

Project Management expenses for PJTL have been estimated by the Management at INR 4.79 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 3.51% per annum as per Project Implementation and Management Agreement. We have relied on the projections provided by the Management.



Inputs	Details
License fees	Annual License fee has been estimated by the Management for the forecast period at 0.11% of Annual Transmission Charges as provided under the CERC regulations.
Insurance Expenses	Insurance expenses for PJTL have been estimated by the Management (based on the invoice obtained from insurer) at INR 57.29 Mn in FY2024. Insurance expenses are expected to remain constant throughout the life of the project.
Key Managerial Personnel Expenses	Key Managerial Personnel Expenses for PJTL have been estimated by the Management at INR 2.70 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 6.50% per annum.
System and Market Operation Charges	System and Market Operation Charges for PJTL have been estimated by the Management at INR 3.21 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 6.50% per annum.
Audit Expenses	Audit Expenses for PJTL have been estimated by the Management at INR 0.28 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 10% per annum.
Other Administrative Expenses and Other Expenses	Other Administrative Expenses and Other Expenses for PJTL have been estimated by the Management at INR 0.79 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 10% per annum.
Breakdown Contingencies	The Management has estimated that an amount of INR 0.50 Mn per annum shall be spent with respect to breakdown contingencies for PJTL during the forecast period.
CSR Expense	As per the provisions of Section 135 of the Companies Act 2013, a CSR Expense of 2% of the average profits for the past 3 years for PJTL has been considered.
Depreciation	<p>Depreciation is being calculated using Straight Line Method over the life of the project considering a salvage value of 5% as per the Companies Act, 2013. For calculating depreciation as per Income Tax Act for the projected period, depreciation rate as specified in the Income Tax Act and WDV as per Income Tax Return filed by PJTL have been considered. PJTL is expected to incur certain maintenance capital expenditure during the forecast period. The effect of the same has been considered while computing both book and income tax depreciation.</p> <p>In March 2022, PJTL has purchased the Right of additional revenue from POWERGRID at INR 1,113.0 Mn as discussed above. The purchase consideration has been recognised as an Intangible asset (Right of Additional Revenue) in the balance sheet of PJTL. We understand from the Management that the amortization of the above intangible asset (Right of additional revenue) will be tax deductible under the Income Tax Act, 1961 and, accordingly, we have considered the tax amortisation of the above intangible asset in the valuation.</p>



Inputs	Details
Tax Rate	PJTL shall pay taxes under the new regime at the rate of 25.17% throughout the forecast period. The effective tax rate throughout the forecast period shall be 25.17%
Working Capital	The Management have envisaged the working capital requirement of PJTL for the forecast period. The major operating working capital assumptions are as follows: <ul style="list-style-type: none"> a. Trade Receivables days – 45 days b. Unbilled Revenue days – 31 days
Debt	The borrowings as on 31 st March 2023 of PJTL is from PGInvIT at an interest rate of 14.5% p.a.
Capital Expenditure	The Management has estimated capital expenditure to be incurred over the forecast period for PJTL. We have relied on the projections provided by the Management.
Contingent Liabilities	The Management represented that, as per the Share Purchase Agreement executed between POWERGRID, IDBI Trusteeship Services Limited (in its capacity as Trustee to PGInvIT), PUTL (in its capacity as Investment Manager to PGInvIT) and Specified SPVs, POWERGRID has undertaken to indemnify, defend and hold harmless the Trust and the Investment Manager from and against losses which relate to or arise from inter-alia any pending or threatened claims against the Specified SPVs from the period prior to and including the First Closing Date i.e. 13 th May 2021 and no major contingent liabilities have arisen for the period after 13th May 2021. Since no contingent liability has to be borne by PJTL, there is no impact of contingent liability on the valuation.

10.5.2 DCF Valuation Analysis

POWERGRID Jabalpur Transmission Limited

DCF Valuation Analysis

Valuation date: March 31, 2023

Particulars	Amount (in millions)
Present value of FCFF for explicit period	16,687.80
add Present value of terminal value	615.99
Business enterprise value	17,303.79
add Cash and bank balance as on date of valuation	391.02
less Borrowings as on date of valuation	12,237.95
Equity value as on date of valuation	5,456.86
Number of equity shares outstanding as on date of valuation (no.s in millions)	226.91
Value per equity share (₹/share)	24.05



Valuation Date	31-Mar-23
Cost of capital / WACC	9.01%

(in ₹ millions)

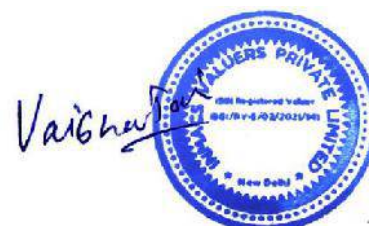
S.no	Period length (months)	For the period ended on	Revenues	NOPAT	Depreciation	Capital Expenditure	Change in working capital	Free cash flow to the firm	YearFracs	Present value factors	Present Value
1	2	3	4	5	6	7	8	9 = 5+6+7+8	Mid-year	10	11 = 9 X 10
1	12	31-Mar-24	2,653.91	1,652.47	434.62	-28.92	120.72	2,178.88	0.50	0.96	2,086.92
2	12	31-Mar-25	2,653.91	1,656.06	435.07	-	-	2,091.13	1.50	0.88	1,837.38
3	12	31-Mar-26	2,653.91	1,657.85	435.07	-	-	2,092.93	2.50	0.81	1,687.01
4	12	31-Mar-27	2,653.91	1,655.38	435.35	-15.70	-	2,075.02	3.50	0.74	1,534.38
5	12	31-Mar-28	1,864.37	864.02	435.98	-19.70	164.40	1,444.70	4.50	0.68	980.01
6	12	31-Mar-29	1,864.37	866.82	436.33	-	-	1,303.15	5.50	0.62	810.95
7	12	31-Mar-30	1,864.37	865.88	436.33	-	-	1,302.21	6.50	0.57	743.41
8	12	31-Mar-31	1,864.37	863.24	436.64	-15.00	-	1,284.88	7.50	0.52	672.91
9	12	31-Mar-32	1,864.37	860.49	436.95	-	-	1,297.43	8.50	0.48	623.34
10	12	31-Mar-33	1,864.37	857.59	437.28	-15.00	-	1,279.87	9.50	0.44	564.09
11	12	31-Mar-34	1,864.37	854.57	437.62	-	-	1,292.18	10.50	0.40	522.46
12	12	31-Mar-35	1,864.37	851.75	437.62	-	-	1,289.37	11.50	0.37	478.25
13	12	31-Mar-36	1,864.37	848.40	438.01	-15.00	-	1,271.41	12.50	0.34	432.62
14	12	31-Mar-37	1,864.37	844.91	438.40	-	-	1,283.31	13.50	0.31	400.59
15	12	31-Mar-38	1,864.37	841.65	438.40	-	-	1,280.05	14.50	0.29	366.55
16	12	31-Mar-39	1,864.37	838.23	438.40	-	-	1,276.63	15.50	0.26	335.37
17	12	31-Mar-40	1,864.37	834.13	438.90	-15.00	-	1,258.03	16.50	0.24	303.18
18	12	31-Mar-41	1,864.37	829.85	439.40	-	-	1,269.25	17.50	0.22	280.61
19	12	31-Mar-42	1,864.37	825.88	439.40	-	-	1,265.28	18.50	0.20	256.61
20	12	31-Mar-43	1,864.37	821.06	440.03	-15.00	-	1,246.09	19.50	0.19	231.84
21	12	31-Mar-44	1,864.37	816.02	440.66	-	-	1,256.69	20.50	0.17	214.49
22	12	31-Mar-45	1,864.37	811.38	440.66	-	-	1,252.05	21.50	0.16	196.04
23	12	31-Mar-46	1,864.37	805.51	441.65	-17.10	-	1,230.06	22.50	0.14	176.69
24	12	31-Mar-47	1,864.37	799.37	442.63	-	-	1,242.00	23.50	0.13	163.66
25	12	31-Mar-48	1,864.37	793.93	442.63	-	-	1,236.56	24.50	0.12	149.48
26	12	31-Mar-49	1,864.37	788.18	442.63	-	-	1,230.82	25.50	0.11	136.49
27	12	31-Mar-50	1,864.37	782.12	442.63	-	-	1,224.76	26.50	0.10	124.60
28	12	31-Mar-51	1,864.37	775.72	442.63	-	-	1,218.35	27.50	0.09	113.70
29	12	31-Mar-52	1,864.37	768.94	442.63	-	-	1,211.58	28.50	0.09	103.73
30	12	31-Mar-53	1,864.37	761.78	442.63	-	-	1,204.41	29.50	0.08	94.60
31	9	31-Dec-53	1,404.66	572.03	331.98	-	-	904.00	30.38	0.07	65.84
32	Terminal year	Terminal Value	1,864.37	761.78	442.63	-442.63	-	761.78	30.38	0.07	55.48

Sensitivity Analysis

Sensitivity analysis is an analysis technique that works on the basis of what-if analysis like how independent variables can affect the dependent variable. As discussed above, DCF valuation involves use of critical inputs to determine equity value, these critical inputs are independent variables and resultant equity value is dependent variable.

The table below is a what-if analysis table, wherein the impact on equity value and enterprise value has been produced considering critical input being discount rates vary by 50 basis points in either direction.

Sensitivity	Equity Value	Enterprise Value
	(in ₹ millions)	
9.01%	5,456.86	17,303.79
8.00%	7,074.76	18,921.69
8.50%	6,230.26	18,077.19
9.00%	5,467.02	17,313.95
9.50%	4,773.52	16,620.45
10.00%	4,140.37	15,987.30



10.5.3 Additional Disclosures

The Schedule V of the SEBI InvIT Regulations prescribes the minimum set of mandatory disclosures to be made in the valuation report.

Below is the additional information as required by the regulations

Parameter	Details										
List of one-time sanctions/approvals which are obtained or pending:	The list is enclosed in Annexure – 5 to the report.										
List of up to date/ overdue periodic clearances:	We have included the details in Annexure – 5 to the report.										
Statement of assets included:	The details of assets of PJTL as of March 31 st , 2023 are provided in Annexure – 10.										
Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:	<p>We understand from the Management that no major repairs and improvements of the assets have been performed till date. Also, PJTL does not plan to perform any major repairs and improvements during the life of the project except CAPEX requirement captured in the above analysis. However, PJTL incurs regular annual maintenance charges of Transmission Lines. The projected operation and maintenance charges for the life the project along with the projected inflation rate is as follows:</p> <table border="1"><thead><tr><th>Expenses</th><th>O&M Expenses</th></tr></thead><tbody><tr><td>FY 2024</td><td>31.93</td></tr><tr><td>FY 2025</td><td>33.05</td></tr><tr><td>FY 2026</td><td>34.21</td></tr><tr><td>Annual inflation rate FY24 to FY51</td><td>3.51%</td></tr></tbody></table> <p>Source: Management input Expenses in ₹ millions</p>	Expenses	O&M Expenses	FY 2024	31.93	FY 2025	33.05	FY 2026	34.21	Annual inflation rate FY24 to FY51	3.51%
Expenses	O&M Expenses										
FY 2024	31.93										
FY 2025	33.05										
FY 2026	34.21										
Annual inflation rate FY24 to FY51	3.51%										
Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges if any.	The Management has informed that there are no dues including local authority taxes pending to be payable to the Government authorities except as disclosed in the audited financial statements.										
On-going material litigations including tax disputes in relation to the assets, if any:	The list of on-going material litigations including tax disputes in relation to PJTL are provided in Annexure – 15.										
Vulnerability to natural or induced hazards that may not have been covered in town planning building control.	Management has confirmed that there are no such natural or induced hazards which have not been considered in town planning/ building control.										



Parameter	Details
Latest Pictures of the project along with date of physical inspection:	Please refer Annexure – 20.
Valuation of the project in the previous 3 years	<p>Equity Value for PJTL (100%) as on -</p> <ul style="list-style-type: none"> September 30th, 2022: ₹ 5,586.69 million (Report dated October 28th, 2022 by Inmacs Valuers Private Limited) March 31st, 2022: ₹ 9,385.5 million (Report dated May 17th, 2022 by RBSA Valuation Advisors LLP) September 30th, 2021: ₹ 9,480.0 million (Report dated October 28th, 2021 by RBSA Valuation Advisors LLP)
Purchase price of the project by the InvIT	<p>INR 7,234.13 million (Acquired during IPO)</p> <p>Acquisition was made from Power Grid Corporation of India Limited (Sponsor) and the transaction was related party transaction.</p>



11. Valuation Conclusion

We have carried out the Enterprise and Equity Valuation of the Specified SPVs as of March 31st, 2023 considering inter-alia historical performance of the Specified SPVs, Business plan/ Projected financial statements of the Specified SPVs and other information provided by/ on behalf of the Investment Manager, industry analysis and other relevant factors.

In performing the valuation analysis, we have adopted the Discounted Cash Flow Method under the Income Approach.

The Valuation summary of the Specified SPVs as of March 31st, 2023 is as follows (in million)

Specified SPV	Enterprise Value	Equity Value	No. of Equity Shares	Value per share	% holding of PGInvT	Value of PGInvT's holding
Vizag Transmission Limited	18,695.45	11,091.91	209.73	52.89	100%	11091.91
POWERGRID Kala Amb Transmission Limited	3,798.98	2,045.02	61.00	33.52	74%	1513.31
POWERGRID Parli Transmission Limited	21,745.77	9,238.46	322.10	28.68	74%	6836.46
POWERGRID Warora Transmission Limited	23,913.93	8,511.47	393.30	21.64	74%	6298.49
POWERGRID Jabalpur Transmission Limited	17,303.79	5,456.86	226.91	24.05	74%	4038.08

For **INMACS Valuers Private Limited**
IBBI Reg. No: **IBBI/RV-E/02/2021/141**



Vaibhav Jain
Director – Securities and Financial Assets
IBBI Reg No. - IBBI/RV/06/2018/10016
B.Com (Hons.), FCA, ACS, LLB,
MBF (ICAI), FAFD (ICAI),
Registered Valuer (S&FA),
Certified Independent Director (IICA)
Valuation Reference No. (VRN):
IOVRVF/IMV/2023-2024/1925
ICAI Membership No: 515700
UDIN: 23515700BGVXTW1577
Date: May 17th, 2023
Place: New Delhi

12. Limitations/ Disclaimer

This report is subject to the limitations detailed hereinafter.

As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made. This report is prepared with a limited purpose/ scope as identified and will be confidential being for use only to which it is issued. It must not be copied, disclosed or circulated in any correspondence or discussions with any person, except to whom it is issued and to those who are involved in this transaction and for various approvals and regulatory filings required for this transaction.

Valuation is not a precise science and the conclusions arrived at in many cases will, be of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. While we have provided an assessment of the value based on the information available, application of certain formulae and within the scope and constraints of our engagement, others may place a different value to the same.

Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. We have, therefore, not performed any audit, review or examination of any of the historical or prospective information used and therefore, does not express any opinion with regards to the same.

The draft of the present report was circulated to the Management for confirming the facts stated in the report and to confirm that information or facts stated are not erroneous and the assumptions used are reasonable.

Our work does not constitute an audit or certification of the historical financial statements/prospective results including the working results of the Company referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report. Valuation analysis and results are specific to the purpose of valuation mentioned in the report is as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

In the course of the valuation, we were provided with both written and verbal information. We have however, evaluated the information provided to us by the Company through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Our conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Company. We assume no responsibility for any errors in the above information furnished by the Company and consequential impact on the present exercise.

A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. This report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Company and any other matter, which may have an impact on our opinion, on the fair value of the shares of the Company including any significant changes that have taken place or are likely to take place in the financial position of the Company. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Any person/party intending to provide finance/invest in the shares/business of the Company shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

The decision to carry out the transaction (including consideration thereof) lies entirely with the Management / the Company and our work and our finding shall not constitute a recommendation as to whether or not the Management / the Company should carry out the transaction.

Neither the firm nor its partners, managers, employees makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is carried out. As such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the valuation.

This Report is based on the information provided by the Management. The exercise has been restricted and kept limited to and based entirely on the information provided to us. We have completely relied on the information provided by the Management and have assumed that the information provided is accurate and complete in all material respects.

We have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as original, and the conformity of the copies or extracts submitted to us with that of the original documents.

We have assumed that the documents provided to us by the Management in connection with any particular issue are the only documents related to such issue.

We have analysed the information provided by the Management from the limited perspective of examining issues noted in the scope of work and we do not express any opinion as to the legal or technical implications of the same.



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Summary of Approvals & Licences of VTL

S. No.	Approvals	Date of Issue	Issuing Authority
1	Company Registration	02.03.2012	Ministry of Corporate Affairs - Gol
2	Transmission Licence (25 years)	08.01.2014	Central Electricity Regulatory Commission
3	Forest Clearance	Not Required	
4	Approval under Section 68 of Electricity Act, 2003	08.03.2012	Ministry of Power - Gol
5	Approval from Gol under Section 164 of Electricity Act, 2003 (25 year)	21.05.2014	Central Electricity Authority (MoP)
6	Approval from CERC under Section 17(3)	Not Required	
7	Environmental Clearance	Not Required	
8	Power & Telecommunication Coordination Committee clearance		
8(1)	400 kV D/C Khamman to Nagarjuna	25.04.2015	PTCC - Government of India
8(2)	765 kV D/C Srikakulam-Vemagiri	29.09.2016	PTCC - Government of India
9	Railway Crossing		
	1. Srikakulam-Vemagiri 765 kV D/C line		
9(1)	Mast No. 11/14-16 b/w Mallividu-Lakkavarapukota	20.11.2015	East Coast Railway
9(2)	Track at km 12/5-12/6 b/w Pedasana-Temburu	20.11.2015	East Coast Railway
9(3)	Mast no. 456/7-9 b/w Gotlam-Garudabili	20.11.2015	East Coast Railway
9(4)	Mast no. 769/29-31 b/w sigadam-ponduru	20.11.2015	East Coast Railway
	2. 400 kV D/C Khammam Nagarjuna Sagar		
9(5)	Mast no. 473/11-12 & 473/13-14 of Khammam-Dorknal	20.03.2015	South Central Railway
9(6)	Track at Km/TP: 123/5-123/6 b/w KDGL-MRGA	16.06.2015	South Central Railway
10	Road Crossing		
	1. 765 kV D/C Srikakulam-Vemagiri line		
10(1)	NH-16 at km 853/612 at Prathipadu village	14.09.2016	National Highways Authority of India
10(2)	NH-43 in Nellivada village	18.08.2016	National Highways & CRF
	2. 400 kV D/C Khammam Nagarjuna Sagar		
10(3)	NH-65 at km stone 168 - 169 of Hyderabad-Vijaywada	30.11.2015	National Highways Authority of India
11	River Crossing		
	1. 765 kV D/C Srikakulam-Vemagiri line	No Major River Crossing in this line	
	2. 400 kV D/C Khammam Nagarjuna Sagar line	No Major River Crossing in this line	
12	Powerline Crossing		
	1. 765 kV D/C Srikakulam-Vemagiri line		
12(1)	400 kV D/C Kalpaka - Khammam Line	28.06.2016	AP Transco
12(2)	400 kV S/C Vijaywada-Gajuwada Line	08.05.2016	Power Grid Corporation of India Ltd
12(3)	400 kV D/C Vemagiri - Simhadry Line	31.07.2016	Power Grid Corporation of India Ltd
12(4)	132 kV Peddapuram - Prithipadu-I Line	08.09.2016	AP Transco
12(5)	132 kV Peddapuram - Prithipadu-II Line	08.09.2016	AP Transco
12(6)	132 kV Navabharat - Prithipadu Line	08.09.2016	AP Transco
12(7)	132 kV D/C Pendurthi-TB Vara Line	18.06.2016	AP Transco
12(8)	132 kV S/C Koruprolu-Narisipatnam Line	29.05.2016	AP Transco
12(9)	220 kV S/C Line Seileru-Pendurthi line	21.04.2016	AP Transco
12(10)	400 kV D/C Jeypore-Gajuwaka Line	04.07.2016	Power Grid Corporation of India Ltd
12(11)	220 kV D/C BD Palem - Bobbili Line	08.09.2016	AP Transco
12(12)	132 kV S/C Ventithadi-TB Voora Line	08.05.2016	AP Transco
12(13)	132 kV S/C Garividi-TB Voora Line	08.05.2016	AP Transco
12(14)	132 kV S/C Garividi-Vontithadi Line	22.05.2016	AP Transco
12(15)	132 kV S/C Garividi-TB Voora Line	22.05.2016	AP Transco
12(16)	220 kV D/C Garividi-Pendurthi Line	03.07.2016	AP Transco
12(17)	132 kV D/C Garividi-Pyidibhimavaram & Pyidibhimavaram	14.08.2016	AP Transco
12(18)	132 kV D/C Garividi-Palakonda & Pyidibhimavaram Chilakapalem	24.07.2016	AP Transco



S. No.	Approvals	Date of Issue	Issuing Authority
12(19)	220 kV D/C Garividi-Tekkali Line	10.07.2016	AP Transco
12(20)	132 kV D/C Garividi-Palakonda to Tekkali-Ponduru Line	25.08.2016	AP Transco
12(21)	132 kV D/C Tekkali - Pathapattanam	03.04.2016	AP Transco
12(22)	132 kV D/C Gaarividi-Tekkali 2. 400 kV D/C Khammam Nagarjuna Sagar line	20.03.2016	AP Transco
12(23)	132 kV D/C Khammam-Dornakal Line	23.09.2015	South Central Railway
12(24)	132 kV D/C Khammam-Kusumanchi line	21.09.2015	Madhucon Sugar & Power Industries
12(25)	132 kV D/C Kusumanchi - Madhucon line	21.09.2015	Madhucon Sugar & Power Industries
12(26)	220 kV S/C KTPS -Miryalaguda Line	10.12.2015	TS Transco
12(27)	400 kV D/C VTPS -Malkaram Line	21.12.2015	TS Transco
12(28)	400 kV S/C Khammam- Nagarjuna Sagar Line	12.09.2015	Power Grid Corporation of India Ltd
12(29)	132 kV D/C Miryalaguda - Podugulla	02.12.2015	TS Transco
12(30)	132 kV Miryalaguda - Wadapalli Feeder 1&2	21.12.2015	TS Transco
12(31)	132 kV S/C Rentichintala - Parasakti SS line	02.12.2015	AP Transco
12(32)	132 kV Rentichintala - Nagarjuna Sagar Tail Pond Line	02.12.2015	AP Transco
12(33)	220 kV D/C Budidampadu - Bhuvanagiri	21.12.2015	TS Transco
12(34)	220 kV D/C Khammam - Miryalaguda	21.12.2015	TS Transco
12(35)	132 kV Miryalaguda - Dirsencherla and Miryalaguda - Matampalle	02.12.2015	TS Transco
12(36)	220 kV D/C Tallapalli to VTPS	02.12.2015	AP Transco
12(37)	132 kV S/C Budidampadu - Dornakal	02.12.2015	TS Transco
13	Aviation Clearance - NOC for Transmission line		
13(1)	765 kV D/C Srikakulam-Vemagiri line	19.08.2016	Eastern Naval Command, Naval Base, Visakhapatnam
13(2)	400 kV D/C Khammam - NagarjunaSagar line	Not Required	
14	Defence Clearance- NOC from aviation angle for construction	Not Required	
15	Transmission service agreements	14.05.2013	
16	Approval for adoption of Tariff (35 years)	23.01.2014	Central Electricity Regulatory Commission

Source: Information provided by Management



Summary Approvals & Licences of PKATL

S. No.	Approvals	Date of Issue	Issuing Authority
1	Company Registration	29.07.2013	Ministry of Corporate Affairs - Gol
2	Transmission Licence (25 years)	04.09.2014	Central Electricity Regulatory Commission
3	Forest Clearance		
3(1)	4.094 ha within jurisdiction of Nahar Forest Division (H.P.)	21.12.2016	Gol-Ministry of Environment, Forests & Climate Change
4	Approval under Section 68 of Electricity Act,2003	16.09.2013	Ministry of Power - Gol
5	Approval from Gol under Section 164 of Electricity Act,2003 (25 year)	27.04.2016	Central Electricity Authority (MoP)
6	Approval from CERC under Section 17(3)	Not Required	
7	Environmental Clearance	Not Required	
8	Power & Telecommunication coordination committee clearance		
8(1)	400 kV D/C Karcham Wangtoo-Abdullapur TL (LILO)	02.05.2017	PTCC - Government of India
9	Railway Crossing	Not Required	
10	Road Crossing	Not Required	
11	River Crossing	Not Required	
12	Powerline Crossing	Not Required	
13	Aviation Clearance - NOC for Transmission line	09.05.2016	Airports Authority of India
14	Defence Clearance- NOC from aviation angle for construction		
14(1)	400 kV D/C Karcham Wangtoo-Abdullapur Line	17.10.2016	Ministry of Defence
15	Transmission service agreements	02.01.2014	
16	Approval for adoption of Tariff (35 years)	22.08.2014	Central Electricity Regulatory Commission
17	Transmission License (25 years) for RTM work allocated by Govt.	22.03.2022	Central Electricity Regulatory Commission

Source: Information provided by Management



Summary of Approvals & Licences of PPTL

S. No.	Approvals	Date of Issue	Issuing Authority
1	Company Registration	30.07.2014	Ministry of Corporate Affairs - Gol
2	Transmission Licence (25 years)	10.07.2015	Central Electricity Regulatory Commission
3	Forest Clearance		
3(1)	1. Warora Pooling Station - Parli New 765 kV D/C line 27.846 ha for 765kV D/C Warora-Parli TL inMaharashtra	02.09.2017	Gol-Ministry of Environment, Forests & Climate
	2. Parli (new) - Solapur 765 kV D/C line	No Forest	
	3. Parli (New) - Parli (PG) 400 kV D/C line	No Forest	
4	Approval under Section 68 of Electricity Act,2003	10.12.2014	Ministry of Power - Gol
5	Approval from Gol under Section 164 of ElectricityAct,2003 (25 years)	28.06.2017	Central Electricity Authority (MoP)
6	Approval from CERC under Section 17(3)	Not Required	
7	Environmental Clearance	Not Required	
8	Power & Telecommunication coordination committee clearance		
8(1)	765 kV D/C Warora-Parli T/L (Length-346.802 KM)	05.05.2018	PTCC - Government of India
8(2)	765 kV D/C line from Solapur-New Parli(Length-117.958 KM)	02.04.2018	PTCC - Government of India
8(3)	400 kV D/C line from Parli-New Parli(Dhanora)(Length - 18.236 KM)	02.04.2018	PTCC - Government of India
9	Railway Crossing		
	1. Warora Pooling Station - Parli New 765 kV D/C line		
9(1)	Track at KM No. 326/5-326/6 b/w Chudawa-Purna	17.01.2017	South Central Railway
9(2)	Track at Km 246/14-Km 247/1 b/w Ghatnandur-Parli	16.02.2018	South Central Railway
	2. Parli (new) - Solapur 765 kV D/C line		
9(3)	Track at location 497/3-4 kms b/w Murud andAusa Road	06.11.2017	Central Railway
	3. Parli (New) - Parli (PG) 400 kV D/C line	No Railway Crossing	
10	Road Crossing		
	1. Warora Pooling Station - Parli New 765 kV D/C line		
10(1)	NH-7 b/w chainage 108/6 & 108/4 near village yerla	09.01.2018	National Highways Authority of India
10(2)	NH-222 @ Ch.525/800 i.e., b/w km 525 & 526 km	12.01.2018	Public Works Department (Govt of Maharashtra)
	2. Parli (new) - Solapur 765 kV D/C line		
10(3)	NH-09 (Solapur-Hyderabad) b/w Solapur 31.7 Km & Naldurg 14.3 Km	14.10.2017	National Highways Authority of India
	3. Parli (New) - Parli (PG) 400 kV D/C line	No Road Crossing	
11	River Crossing	No Major River Crossing in this lines	
12	Powerline Crossing		
	1. Warora Pooling Station - Parli New 765 kV D/C line		
12(1)	400 kV S/C Kumbhargaoon-Parli line	30.03.2017	Maharashtra State Electricity Transmission Co. Ltd
12(2)	400 kV D/C Chandrapur-Parli line	30.03.2017	Maharashtra State Electricity Transmission Co. Ltd
12(3)	132 kV D/C Pusad Umarked line	09.03.2017	Maharashtra State Electricity Transmission Co. Ltd
12(4)	132 kV Gagankhed - Kandhar line	03.11.2016	Maharashtra State Electricity Transmission Co. Ltd
12(5)	220 kV Nanded-Ghatodi DCDC line	03.11.2016	Maharashtra State Electricity Transmission Co. Ltd
12(6)	220 kV Parli New TPS - Waghala DCDC line	05.07.2016	Maharashtra State Electricity Transmission Co. Ltd
12(7)	220 kV Parli - Harangul line	26.08.2016	Maharashtra State Electricity Transmission Co. Ltd
12(8)	132 kV Girwali-Latur MIDC DCDC line	26.08.2016	Maharashtra State Electricity Transmission Co. Ltd
12(9)	220 kV Osmanabad-parli line & 220kV Girwali- Murud line	21.11.2016	Maharashtra State Electricity Transmission Co. Ltd
12(10)	400 kV D/C Parli-Solapur line	21.03.2017	Reliance Infrastructure Limited
	2. Parli (new) - Solapur 765 kV D/C line		
12(11)	132 kV D/C Ujani-Naldurga-Solapur line	04.03.2017	Maharashtra State Electricity Transmission Co. Ltd
12(12)	400 kV D/C Solapur (PG) - Parli (PG) line	04.04.2017	Reliance Infrastructure Limited
12(13)	132 kV S/C Bale-Akkalkot	06.05.2017	Maharashtra State Electricity Transmission Co. Ltd
12(14)	132 kV Bale (Solapur)-Ujani Line	01.10.2016	Maharashtra State Electricity Transmission Co. Ltd
12(15)	132 kV Ujani-B.A.S.S.K. Keshgaon line	01.10.2016	Maharashtra State Electricity Transmission Co. Ltd
12(16)	220 kV Osmanabad-parli line & 220kV Girwali- Murud line	19.11.2016	Maharashtra State Electricity Transmission Co. Ltd
	3. Parli (New) - Parli (PG) 400 kV D/C line		
12(17)	132 kV Girwali - Kaj Line	06.08.2016	Maharashtra State Electricity Transmission Co. Ltd
12(18)	400 kV S/C Girwali-Lamboti (Solapur) Line	05.07.2016	Maharashtra State Electricity Transmission Co. Ltd
12(19)	400 kV D/C Girwali-Lonikand line	05.07.2016	Maharashtra State Electricity Transmission Co. Ltd
12(20)	400 kV D/C Parli-Solapur line (Loc No. 15 & 16)	14.07.2016	Reliance Infrastructure Limited
12(21)	400 kV S/CGirwali - Solapur (Lamboti) & 400 kV D/C Girwali-Lonikand	09.06.2016	Maharashtra State Electricity Transmission Co. Ltd



S. No.	Approvals	Date of Issue	Issuing Authority
13	Aviation Clearance - NOC for Transmission line		
13(1)	NOC ID : AKOL/WEST/P/012017/192829	24.05.2017	Airports Authority of India
13(2)	NOC ID : AKOL/WEST/P/012017/192829/2	24.05.2017	Airports Authority of India
13(3)	NOC ID : AKOL/WEST/P/012017/192829/3	24.05.2017	Airports Authority of India
13(4)	NOC ID : AKOL/WEST/P/012017/192829/4	24.05.2017	Airports Authority of India
13(5)	NOC ID : AKOL/WEST/P/012017/192829/5	24.05.2017	Airports Authority of India
13(6)	NOC ID : AKOL/WEST/P/012017/192829/6	24.05.2017	Airports Authority of India
13(7)	NOC ID : AKOL/WEST/P/012017/192829/7	24.05.2017	Airports Authority of India
13(8)	NOC ID : AKOL/WEST/P/012017/192829/8	24.05.2017	Airports Authority of India
13(9)	NOC ID : AKOL/WEST/P/012017/192829/9	07.11.2017	Airports Authority of India
13(10)	NOC ID : AKOL/WEST/P/012017/192829/10	07.11.2017	Airports Authority of India
13(11)	NOC ID : AKOL/WEST/P/012017/192829/11	24.05.2017	Airports Authority of India
13(12)	NOC ID : AKOL/WEST/P/012017/192829/12	24.05.2017	Airports Authority of India
13(13)	NOC ID : SOLA/WEST/P/100516/176012	24.05.2017	Airports Authority of India
13(14)	765kV D/C Solapur to Parli/Dhanora (PG) Transmission Line	31.10.2017	Indian Air Force
14	Defence Clearance- NOC from aviation angle for construction		
14(1)	765 kV D/C Warora to Parli(New) Transmission Line	07.11.2017	Ministry of Defence
14(2)	765 kV D/C Solapur - Parli Transmission Line	13.10.2017	Ministry of Defence
14(3)	400 kV D/C Parli (PG) to Parli (New) Transmission Line	27.10.2017	Ministry of Defence
15	Transmission service agreements	09.02.2015	
16	Approval for adoption of Tariff (35 years)	23.06.2015	Central Electricity Regulatory Commission
17	Relief under Change in Law	29.01.2021	Central Electricity Regulatory Commission

Source: Information provided by Management



Summary of Approvals & Licences of PWTL

S. No.	Approvals	Date of Issue	Issuing Authority
1	Company Registration	05.08.2014	Ministry of Corporate Affairs - Gol
2	Transmission Licence (25 years)	05.08.2015	Central Electricity Regulatory Commission
3	Forest Clearance		
	1. 765 kV D/C Gadarwara STPS Warora		
3(1)	50.731 ha for 765 KV D/C transmission line from Gadarwara to Warora (Maharashtra)	28.06.2017	GOI-Ministry of Environment, Forests & Climate Change
3(2)	165.528 ha for 765 KV D/C TL Gadarwara STPS to Warora (MP)	29.05.2017	APCCF, MP, Bhopal
	2. 765 kV D/C Gadarwara STPS Jabalpur Line	No Forest	
	3. 400 kV D/C LILO of Wardha-Parli Line at Warora	No Forest	
4	Approval under Section 68 of Electricity Act,2003	26.11.2014	Ministry of Power
5	Approval from Gol under Section 164 of Electricity Act,2003 (25)	11.04.2017	Central Electricity Authority (MoP)
6	Approval from CERC under Section 17(3)	Not Required	
7	Environmental Clearance	Not Required	
8	Power & Telecommunication coordination committee clearance		
	1.765 kV D/C Gadarwara STPS Warora		
8(1)	765 kV (HEX BUNDLE) Gadarwara-Warora Transmission line (RL 129.558)	29.01.2018	PTCC - Government of India
	2. 400 kV D/C LILO of Wardha-Parli		
8(2)	400 kV D/C LILO Line on Wardha-Parli Line for Warora S/s	12.03.2018	PTCC - Government of India
	3. 765 kV D/C Gadarwara STPS - Jabalpur		
8(3)	765 kV D/C LILO Line on existing Seoni-Bina TL	18.11.2016	PTCC - Government of India
8(4)	765 kV D/C TL from Jabalpur Pooling S/s-Gadarwara (balance portion)	31.03.2017	PTCC - Government of India
9	Railway Crossing		
	1. 765 kV D/C Gadarwara STPS Warora Line		
9(1)	Mast No. 790/10/16 & 790/10/17 (35 years)	16.11.2017	Central Railway
9(2)	Mast No. 792/7-9 & 792/8-10 (35 years)	16.11.2017	Central Railway
9(3)	Mast No. 801B/27-28 & 802B/1-2 (35 years)	16.11.2017	Central Railway
9(4)	Mast No. 1012/11,1012/12 & 1012/3,4 (35 years)	12.06.2018	Central Railway
9(5)	Ch No. 63301	21.12.2017	South East Central Railway, Nagpur
9(6)	Ch No. 81350	21.12.2017	South East Central Railway, Nagpur
9(7)	Ch No. 29100	15.02.2018	South East Central Railway, Nagpur
9(8)	KM No.1247/1-2 b/w Chindwara-Jhilmili	21.12.2017	South East Central Railway, Nagpur
	2. 400 kV D/C LILO of Wardha-Parli Line	No Railway Crossing	
	3. 765 kV D/C Gadarwara STPS Jabalpur Line	No Railway Crossing	
10	Road Crossing		
	1. 765 kV D/C Gadarwara STPS Warora Line		
10(1)	NH-361 Chainage 508.493 village Sawangi	09.01.2018	National Highways Authority of India
10(2)	NH-44 at 68.078 on Nagpur-Hydrabad Section	13.07.2017	National Highways Authority of India
10(3)	Nagpur-Mumbai Express Highway at Ch. 17600& 17700	23.01.2017	Maharashtra State Road Development Corporation Ltd
10(4)	NH-47 at Km 44+700 from RHS to LHS MH Section	30.05.2018	National Highways Authority of India
10(5)	NH-6 at Km 27.000 to 28.000 at village Bajargaon	18.12.2017	National Highways Authority of India
10(6)	NH-347 b/w km 98 & km 99	18.05.2017	Ministry of Road Transport & Highways - GOI
	2. 400 kV D/C LILO of Wardha-Parli Line		
10(7)	NH-44 at 90.810 on Nagpur-Hydrabad Section	13.07.2017	National Highways Authority of India
10(8)	NH-44 at 90.910 on Nagpur-Hydrabad Section	13.07.2017	National Highways Authority of India
	3. 765 kV D/C Gadarwara STPS Jabalpur Line		
10(9)	NH-26 b/w km 357 & km 358	07.04.2017	National Highways Authority of India
10(10)	NH-547 b/w km 205 & km 206	18.07.2017	Ministry of Road Transport & Highways - GOI
11	River Crossing	No Major River Crossing in this lines	
12	Powerline Crossing		
	1. 765 kV D/C Gadarwara STPS - Warora		
12(1)	132 kV D/C Ambazari- Amravati Line & Ambazari-Arvi Line	16.02.2017	Maharashtra State Road Development Corporation Ltd
12(2)	220 kV D/C Abhijit-Wardha Line	16.02.2017	Maharashtra State Road Development Corporation Ltd
12(3)	400 kV D/C Koradi-Wardha Line & Koradi-IEPL Line	16.02.2017	Maharashtra State Road Development Corporation Ltd
12(4)	220 kV D/C Butibori(3)-Purti & Butibori(3)-Wardha Line	16.02.2017	Maharashtra State Road Development Corporation Ltd
12(5)	220 kV D/C Butibori(3)-Purti & Purti-Bhugaon Line	16.02.2017	Maharashtra State Road Development Corporation Ltd
12(6)	400 kV D/C Koradi- IEPL & IEPL - Warora Line	16.02.2017	Maharashtra State Road Development Corporation Ltd
12(7)	132 kV D/C Hinganghat - Jam Line	26.09.2016	Maharashtra State Road Development Corporation Ltd
12(8)	220 kV D/C Wardha-Warora Line	03.01.2017	Maharashtra State Road Development Corporation Ltd
12(9)	220 kV Warora-Wardha Ckt I & Warora-Hinganghat Ckt II	26.09.2016	Maharashtra State Road Development Corporation Ltd
12(10)	132 kV D/C Hinganghat - M/S ISMT Line	05.03.2017	Maharashtra State Road Development Corporation Ltd
12(11)	400 kV D/C Mouda-Wardha Line	24.05.2016	Power Grid Corporation of India Ltd
12(12)	400 kV D/C Raipur-Wardha Line	30.05.2016	Power Grid Corporation of India Ltd

S. No.	Approvals	Date of Issue	Issuing Authority
12(13)	765 kV D/C Raipur(Durg) - Wardha TL (Ckt 1 & 2)	30.12.2016	Power Grid Corporation of India Ltd
12(14)	765 kV D/C Raipur(Durg) - Wardha TL (Ckt III & IV)	28.12.2016	Power Grid Corporation of India Ltd
12(15)	765 kV S/C Tiroda-Koradi CKt-I Line	02.05.2017	Maharashtra Eastern Grid Power Transmission Co. Ltd
12(16)	765 kV S/C Tiroda-Koradi CKt-II Line	02.05.2017	Maharashtra Eastern Grid Power Transmission Co. Ltd
12(17)	220 kV S/C Kalmeshwar - Pandhurna Line	26.04.2018	Maharashtra State Road Development Corporation Ltd
12(18)	400 kV S/C Seoni-Sarni Line	23.03.2017	Madhya Pradesh Power Transmission Co. Ltd
12(19)	220 kV D/C Seoni - Chhindwara Line	23.03.2017	Madhya Pradesh Power Transmission Co. Ltd
12(20)	132 kV D/C Seoni - Chhindwara Line	23.03.2017	Madhya Pradesh Power Transmission Co. Ltd
12(21)	132 kV D/C Chhindwara - Bicchua Line	23.03.2017	Madhya Pradesh Power Transmission Co. Ltd
12(22)	400 kV D/C Koradi II - Koradi III (Tidangi) Line	08.05.2017	Maharashtra State Electricity Transmission Co. Ltd
12(23)	132 kV S/C Kalmeshwar - Katol Line	04.05.2017	Maharashtra State Electricity Transmission Co. Ltd
12(24)	220 kV S/C Ambazari - Amravati Line	04.05.2017	Maharashtra State Electricity Transmission Co. Ltd
12(25)	400 kV S/C Koradi - Indiabull (Ckt-II) Line	04.05.2017	Maharashtra State Electricity Transmission Co. Ltd
12(26)	400 kV S/C Koradi - Bhusawal (CKt-II) Line	07.07.2017	Maharashtra State Electricity Transmission Co. Ltd
12(27)	132 kV Chichili - Karapgaon Line	10.04.2017	Madhya Pradesh Power Transmission Co. Ltd
12(28)	2. 765 kV D/C Gadawara STPS - Jabalpur 220 kV D/C Jabalpur-Narsinghpur Line	11.11.2016	Madhya Pradesh Power Transmission Co. Ltd
12(29)	132 kV S/C Jabalpur-Shrinagar-Narsinghpur Line	11.11.2016	Madhya Pradesh Power Transmission Co. Ltd
12(30)	132 kV DCDS Shahpura LILO Line	11.11.2016	Madhya Pradesh Power Transmission Co. Ltd
12(31)	132 kV Chichili-Karapgaon Line	07.11.2016	Madhya Pradesh Power Transmission Co. Ltd
12(32)	132 kV Narsinghpur-Devnagar Line	12.01.2017	Madhya Pradesh Power Transmission Co. Ltd
12(33)	3. 400 kV D/C LILO of Wardha-Parli 220 kV D/C Bhugaon-Pusad Line (Loc 42-43)	24.01.2017	Maharashtra State Electricity Transmission Co. Ltd
12(34)	220 kV D/C Bhugaon-Pusad D/C Line (Loc 2/1-2/2)	24.01.2017	Maharashtra State Electricity Transmission Co. Ltd
12(35)	220 kV D/C Bhugaon-Pusad D/C Line (Loc 39-40)	24.01.2017	Maharashtra State Electricity Transmission Co. Ltd
12(36)	400 kV D/C Wardha-Warora D/C Line (Loc 112-113)	03.01.2017	Maharashtra State Electricity Transmission Co. Ltd
12(37)	400 kV D/C Wardha-Warora D/C Line (Loc 109-111)	03.01.2017	Maharashtra State Electricity Transmission Co. Ltd
12(38)	220 kV D/C Deoli-Ghatodi	02.03.2017	Maharashtra State Electricity Transmission Co. Ltd
13	Aviation Clearance - NOC for Transmission line 1. 765 kV D/C Gadawara STPS - Warora		
13(1)	NOC ID : NAGP/WEST/P/042617/214700	18.05.2017	Airports Authority of India
13(2)	NOC ID : NAGP/WEST/P/042617/214700/2	18.05.2017	Airports Authority of India
13(3)	NOC ID : NAGP/WEST/P/042617/214700/3	18.05.2017	Airports Authority of India
13(4)	NOC ID : NAGP/WEST/P/042617/214700/4	18.05.2017	Airports Authority of India
13(5)	NOC ID : NAGP/WEST/P/042617/214700/5	18.05.2017	Airports Authority of India
13(6)	NOC ID : NAGP/WEST/P/042617/214700/6	18.05.2017	Airports Authority of India
13(7)	NOC ID : NAGP/WEST/P/042617/214700/7	31.05.2017	Airports Authority of India
13(8)	NOC ID : NAGP/WEST/P/042617/214700/8	01.06.2017	Airports Authority of India
13(9)	NOC ID : NAGP/WEST/P/042617/214700/9	31.05.2017	Airports Authority of India
13(10)	NOC ID : NAGP/WEST/P/042617/214700/10	31.05.2017	Airports Authority of India
13(11)	NOC ID : NAGP/WEST/P/042617/214700/11	31.05.2017	Airports Authority of India
13(12)	NOC ID : NAGP/WEST/P/042617/214700/12	31.05.2017	Airports Authority of India
13(13)	NOC ID : NAGP/WEST/P/042617/214700/13	31.05.2017	Airports Authority of India
13(14)	NOC ID : NAGP/WEST/P/042617/214700/14	31.05.2017	Airports Authority of India
13(15)	NOC ID : NAGP/WEST/P/042617/214700/15	23.01.2018	Airports Authority of India
13(16)	NOC ID : NAGP/WEST/P/042617/214700/16	31.05.2017	Airports Authority of India
13(17)	NOC ID : NAGP/WEST/P/042617/214700/17	31.05.2017	Airports Authority of India
13(18)	NOC ID : NAGP/WEST/P/042617/214700/18	08.06.2017	Airports Authority of India
13(19)	NOC ID : NAGP/WEST/P/122817/271674	19.01.2018	Airports Authority of India
14	2. 400 kV D/C LILO of Wardha-Parli at Warora Defence Clearance- NOC from aviation angle for construction 1. 765 kV D/C Gadawara STPS - Warora	Not Required	
14(1)	765 kV Gadawara to Warora (Hexa)	02.05.2017	Ministry of Defence
14(4)	765 kV D/C Gadawara-Warora Transmission Line 2. 400 kV D/C LILO of Wardha-Parli at Warora	02.07.2018	Ministry of Defence
14(2)	400 kV 2* D/C LILO of Both Circuits Wardha-Parli 3. 765 kV D/C Gadawara STPS - Jabalpur	27.06.2017	Ministry of Defence
14(3)	765 kV D/C Gadawara to Jabalpur	05.01.2017	Ministry of Defence
15	Transmission service agreements	09.02.2015	
16	Approval for adoption of Tariff (35 years)	23.06.2015	Central Electricity Regulatory Commission
17	Relief under Change in Law	25.01.2021	Central Electricity Regulatory Commission

Source: Information provided by Management



Summary of Approvals & Licences of PJTL

S. No.	Approvals	Date of Issue	Issuing Authority
1	Company Registration	14.08.2014	Ministry of Corporate Affairs - Gol
2	Transmission Licence (25 years)	15.06.2015	Central Electricity Regulatory Commission
3	Forest Clearance		
3(1)	241.0995 ha at Singrauli Satna & Sidhi Districts(MP)	20.02.2018	Ministry of Environment and Forest, Madhya Pradesh
4	Approval under Section 68 of Electricity Act,2003	22.09.2014	Ministry of Power -Gol
5	Approval from Gol under Section 164 of ElectricityAct,2003 (15.09.2016	Central Electricity Authority (MoP)
6	Approval from CERC under Section 17(3)	Not Required	
7	Environmental Clearance	Not Required	
8	Power & Telecommunication coordination committee clearance		
8(1)	765 kV Vindhyanchal Pooling to Jabalpur Pooling Line	03.10.2018	PTCC - Government of India
9	Railway Crossing		
9(1)	Katni-Singrauli Railway Line at 1293/6-7	16.03.2017	West Central Railway
9(2)	Niwas-JP plant Coal Link	28.07.2017	West Central Railway
9(3)	Jabalpur-Manikpur railway Line at 1093/7-8	16.03.2017	West Central Railway
9(4)	Itarsi-Jabalpur Railway Line at 970/2-3	13.10.2016	West Central Railway
9(5)	Bina-Katni Railway Line at 1223/3-4	03.03.2017	West Central Railway
10	Road Crossing		
10(1)	NH-7 at km 355+134 (Rewa-Katni-Jabalpur)	23.06.2017	National Highways Authority of India
11	River Crossing		
11(1)	Son River	23.02.2018	Ministry of Environment and Forest (Sanjay Tiger Res)
11(2)	Banas River	23.02.2018	Ministry of Environment and Forest (Sanjay Tiger Res)
12	Powerline Crossing		
12(1)	765 kV D/C Jabalpur-Bina Transmission Line	18.04.2017	Power Grid Corporation of India Ltd
12(2)	765 kV S/C Jabalpur-Bina Transmission Line	26.06.2017	Sterlite Power Transmission Limited
12(3)	765 kV S/C Jabalpur-Bhopal Transmission Line	26.06.2017	Sterlite Power Transmission Limited
12(4)	800 kV HVDC Bipole Champa-Kurukshetra Line	31.12.2016	Power Grid Corporation of India Ltd
12(5)	765 kV S/C Sasan-Satna Ckt-1 Line	12.08.2016	Power Grid Corporation of India Ltd
12(6)	765 kV S/C Sasan-Satna Ckt-2 Line	12.08.2016	Power Grid Corporation of India Ltd
12(7)	765 kV D/C Vindhyanchal Pooling- Satna Ckt-1&2 Line	12.08.2016	Power Grid Corporation of India Ltd
12(8)	400 kV D/C Vindhyanchal-Jabalpur Ckt-I&II line	02.02.2017	Power Grid Corporation of India Ltd
12(9)	765 kV S/C Satna-Vindhyanchal Ckt-I line	02.02.2017	Power Grid Corporation of India Ltd
12(10)	765 kV S/C Satna-Vindhyanchal Ckt-II Line	02.02.2017	Power Grid Corporation of India Ltd
12(11)	220 kV Katni-Maihar Line	24.07.2017	Madhya Pradesh Power Transmission Co. Ltd
12(12)	220 kV Satna-Birsinghpur LILO	24.07.2017	Madhya Pradesh Power Transmission Co. Ltd
12(13)	132 kV Jinna-Amarpatan Line	24.07.2017	Madhya Pradesh Power Transmission Co. Ltd
12(14)	132 kV Rewa bansagar LILO	24.07.2017	Madhya Pradesh Power Transmission Co. Ltd
12(15)	400 kV D/C Vindhyanchal-Jabalpur Ckt-III & IV	22.12.2016	Power Grid Corporation of India Ltd
12(16)	400 kV Katni-Damoh Line	06.05.2017	Madhya Pradesh Power Transmission Co. Ltd
12(17)	400 kV D/C Birsinghpur-Damoh Line	22.12.2016	Power Grid Corporation of India Ltd
12(18)	132 kV Panagar-Katangi Line	14.07.2017	Madhya Pradesh Power Transmission Co. Ltd
12(19)	132 kV Patan Panagar Line	14.07.2017	Madhya Pradesh Power Transmission Co. Ltd
12(20)	132 kV S/C Jabalpur-Damoh Line	11.11.2016	Madhya Pradesh Power Transmission Co. Ltd
12(21)	400 kV D/C Jabalpur Pool- Itarsi TL Ckt 1 & 2	09.01.2017	Power Grid Corporation of India Ltd
12(22)	400 kV D/C Jabalpur Pool- Itarsi TL Ckt 3 & 4	09.01.2017	Power Grid Corporation of India Ltd
12(23)	220 kV D/C Sukhi-Narsinghpur Line	11.11.2016	Madhya Pradesh Power Transmission Co. Ltd
12(24)	132 kV Anuppur - Rajmilan Line	20.03.2018	Madhya Pradesh Power Transmission Co. Ltd
12(25)	132 kV Kymore-Barhi Line	20.03.2018	Madhya Pradesh Power Transmission Co. Ltd
12(26)	400 kV Mahan - Vindhyanchal & Mahan-Korba (LILO)	26.06.2017	Essar Power Transmission Company Limited
12(27)	400 kV D/C (Quad) Mahan-Sipat Line	26.06.2017	Essar Power Transmission Company Limited
12(28)	220 kV Satna- Birsinghpur Pali Line	27.07.2017	Madhya Pradesh Power Transmission Co. Ltd
12(29)	132 kV Rewa (Bansagar-II) Bansagar-III (Deolon) Line	27.07.2017	Madhya Pradesh Power Transmission Co. Ltd
12(30)	132 kV Katni- Kaimur Line	19.05.2018	Madhya Pradesh Power Transmission Co. Ltd
13	Aviation Clearance - NOC for Transmission Line		
13(1)	JABA/WEST/P/092317/248125/9	07.11.2017	Airports Authority of India
14	Defence Clearance- NOC from aviation angle for construction		
	765 kV Vindhyanchal-Jabalpur Pooling Line	02.11.2018	Ministry of Defence
15	Transmission service agreements	19.11.2014	
16	Approval for adoption of Tariff (35 years)	28.05.2015	Central Electricity Regulatory Commission
17	Relief under Force Majeure, (Article 11) and Change in Law	28.10.2021	Central Electricity Regulatory Commission

Source: Information provided by Management



Statement of Assets of VTL

Asset Type	Gross Block	Depreciation	Net Block	<i>In million</i>
				% of asset depreciated
Transmission	13,096.90	3,434.19	9,662.71	26.22%
Furniture Fixtures	0.06	0.05	0.01	83.33%
Electronic Data Processing & Word Processing Machines	0.37	0.37	-	100.00%
Construction and Workshop equipment	0.07	0.02	0.05	28.57%
Workshop & Testing Equipments	0.26	0.08	0.18	30.77%
Total	13,097.66	3,434.71	9,662.95	26.22%

Source: Audited Financial Statements



Statement of Assets of PKATL

Asset Type	Gross Block	Depreciation	Net Block	<i>In million</i>
				% of asset depreciated
Freehold Land	29.94	-	29.94	0.00%
Sub-Stations & Office	153.06	25.40	127.66	16.59%
Water Supply Drainage & Sewerage	8.81	1.32	7.49	14.98%
Transmission	100.78	21.84	78.94	21.67%
Substation	3,026.12	641.00	2,385.12	21.18%
Furniture Fixtures	1.69	0.82	0.87	48.52%
Office equipment	0.21	0.18	0.03	85.71%
Electrical Installation	2.69	1.28	1.41	47.58%
Workshop & Testing Equipments	17.17	1.42	15.75	8.27%
Intangible Asset				
Right of Way-Afforestation Expenses	4.10	0.92	3.18	22.44%
Total	3,344.57	694.18	2,650.39	20.76%

Source: Audited Financial Statements

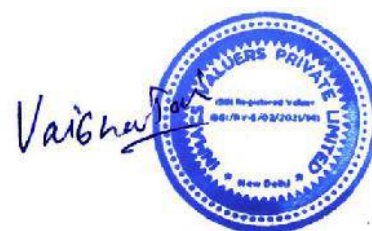


Statement of Assets of PPTL

PPTL

Asset Type	Gross Block	Depreciation	Net Block	<i>In million</i>
				% of asset depreciated
Freehold Land	41.39	-	41.39	0.00%
Sub-Stations & Office	41.24	6.75	34.49	16.37%
Transmission	15,274.39	2,659.48	12,614.91	17.41%
Substation	3,017.02	533.91	2,483.11	17.70%
Workshop & Testing Equipments	0.49	0.08	0.41	16.33%
Office equipment	1.58	0.98	0.60	62.03%
Intangible Asset				
Right of Way-Afforestation Expenses	96.93	16.77	80.16	17.30%
Right Of Additional Revenue	810.10	26.20	783.90	3.23%
Total	19,283.14	3,244.17	16,038.97	16.82%

Source: Audited Financial Statements



Statement of Assets of PWTL

PWTL

Asset Type	<i>In million</i>			
	Gross Block	Depreciation	Net Block	% of asset depreciated
Freehold Land	129.86	-	129.86	0.00%
Transmission Line	17,493.73	3,093.56	14,400.17	17.68%
Substation	4,213.26	706.79	3,506.47	16.78%
Unified Load Despatch & Communication	30.06	7.43	22.63	24.72%
Sub-Stations & Office	16.95	0.68	16.27	4.01%
Furniture & Fixtures	15.96	4.35	11.61	27.26%
Office equipment	0.09	0.09	-	100.00%
Elec. Data Processing & Word Processing Machines	0.05	0.05	-	100.00%
Miscellaneous Assets / Equipments	0.14	0.12	0.02	85.71%
Intangible Asset				
Right of Way-Afforestation Expenses	464.56	80.39	384.17	17.30%
Right Of Additional Revenue	1,118.40	36.18	1,082.22	3.23%
Total	23,483.06	3,929.64	19,553.42	16.73%

Source: Audited Financial Statements



Statement of Assets of PJTL

Asset Type	Gross Block	Depreciation	Net Block	<i>In million</i>
				% of asset depreciated
Transmission	14,616.77	2,100.21	12,516.56	14.37%
Furniture Fixtures	0.18	0.09	0.09	50.00%
Office equipment	0.12	0.11	0.01	91.67%
Electronic Data Processing & Word Processing Machines	0.29	0.29	0.00	100.00%
Intangible Asset				
Right of Way-Afforestation Expenses	677.21	100.79	576.42	14.88%
Right Of Additional Revenue	1,113.00	35.13	1,077.87	3.16%
Total	16,407.57	2,236.62	14,170.95	13.63%

Source: Audited Financial Statements



On-going material litigations including tax disputes as on date of valuation of VTL

Sr. No.	Nature of the matter	Name of the Petitioner/Appellant/Complainant	Name of the defendant/respondent	Forum	Financial claim / impact	Case Number	Brief summary of the facts of the matter	Current status of the matter and the next date of hearing
(i) Statutory or Regulatory								
NIL								
(ii) Criminal Proceedings								
NIL								
(iii) Other Pending Litigation								
1	Writ Petition	Allu Sivaramakrishna & 5 Ors.	POWERGRID & 2 Ors	High Court of AP at Amaravati	Not quantifiable	WP No. 46034/2016	WP filed to issue a writ, order or direction to POWERGRID & PVTL not to erect tower using the land of the petitioners, situated at Gonedu Village, Kirlampudi Mandal, East Godavari District for establishment of 765kV Srikakulam - Vemagiri D/C Power Transmission Line without paying suitable and adequate compensation as per the provisions contemplated under "The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013" and consequently direct the 2nd respondent to pay the suitable and sufficient compensation by settling the cost of the lands as per the prevailing market rate and the cost of the plants and trees damaged and to pass such other order.	Listed on 01.06.2017 for admission but not reached for hearing. To be listed for admission.
2	Writ Petition	Ch.Pullaiah & Anr	POWERGRID & Anr.	High Court for the State of Telangana at Hyderabad	Not quantifiable	WP No. 37560/2014	WP filed with a prayer to issue a Direction directing POWERGRID not to take the transmission line through the lands of the petitioners and also lay any towers/poles of 400kV Khammam-Nagarjunasagar TL in their lands in Survey Nos. 168 and 170/A situated at Daaredu Village, Khammam Rural Mandal, Khammam District without following due process of law and without paying compensation.	Heard on 29.12.2014. Stay is not granted. Time given to POWERGRID for filing counter. To be listed for hearing. Work completed at the Location.
3	Writ Petition	PVTL	CTO & 3 Ors	High Court for the State of Telangana at Hyderabad	9,62,80,607.00	WP No. 13305/2020	WP filed by PVTL to pass an order or direction or any other proceedings one in the nature of writ of mandamus or any other appropriate writ or order or direction under Art 226 of the Constitution of India setting aside the order of the 2nd Respondent in ADC Order No 1077 and Appeal No 5/25/201819 dated 17 06 2020 and upholding the order of the 1st Respondent in imposing entry tax under the Telangana Tax on Entry of Goods Into Local Areas Act 2001 for the period 2014-15 and 2015-16 and thereby confirming a tax of Rs 9,62,80,607.00 as being illegal arbitrary violative of provisions of Section 32 of Telangana Tax on Entry of Goods into Local Areas Act 2001 and in violation of principles of natural justice and contrary to the decisions of the Honble Courts violative of Articles 14 19 and 265 of the Constitution of India.	Heard on 20.08.2020 and the Hon'ble High Court was pleased to grant stay of the operation of the Assessment Order till the disposal of the WP, by Order dated 20.08.2020. To be listed for final hearing and disposal.



On-going material litigations including tax disputes as on date of valuation of PKATL

Sr. No.	Nature of the matter	Name of the Petitioner/Appellant/Complainant	Name of the defendant/respondent	Forum	Financial claim / impact	Case Number	Brief summary of the facts of the matter	Current status of the matter and the next date of hearing
(i) Statutory or Regulatory								
1	Regulatory	Himachal Pradesh State Electricity Board	POWERGRID Kala Amb Transmission Limited	CERC	Not quantifiable	Petition no. 104/MP/2018	This Petition is remanded by APTEL vide its order dated 09.05.2022 in Appeal no. 343 of 2018 and directed CERC to pass a fresh order. This Petition is filed under Section 79(1)(c) and (f) and other applicable provisions of the Electricity Act, 2003 seeking directions against the direct bilateral billing of transmission charges by the Respondent No.1, NRSS XXXI (A) Transmission Limited on the Petitioner for the transmission system established in the State of Himachal Pradesh.	CERC vide order dated 14.06.2022 reserved the order.
(ii) Criminal Proceedings								
NIL								
(iii) Other Pending Litigation								
NIL								



On-going material litigations including tax disputes as on date of valuation of PPTL

Sr. No.	Nature of the matter (DATE OF FILING)	Name of the Petitioner/Appellant/Complainant	Name of the defendant/respondent	Forum	Financial claim / impact	Case Number	Brief summary of the facts of the matter	Current status of the matter and the next date of hearing
(i) Statutory or Regulatory								
NIL								
(ii) Criminal Proceedings								
NIL								
(iii) other pending litigation								
1	Civil (Mines & Minerals Act) 22.02.2018	Power Grid Corporation of India	State of Maharashtra & ors	High Court of Judicature at Bombay, Bench at Nagpur	Rs. 25,78,870/-	WP No. 1032 of 2018	We have challenged the Order of Tehsildar, Mahagaon to pay fine amounting to Rs. 21,37,500/- and royalty of Rs, 1,90,000/- for 475 brass murum by the first order and further directing to pay an amount of rs. 2,51,370/-	Stay has been granted by Hon'ble Court on 24.02.2018. The last date of hearing 21.09.2022. The matter was postponed for two weeks, not listed thereafter
2	Civil (Land Matter) 08.08.2018	Devanand	Power Grid Corporation of India	Civil Judge Junior Division, Ambajogai	Not Quantifiable (However Court Fee Rs. 6,000/- is specifically claimed)	RCS No. 201 of 2018	The petitioner has filed this case challenging the Land allotted to POWERGRID for 765 KV Parli Substation.	The case was pending for argument on exhibit on last date of hearing on 20.02.2023. Next date of hearing on 25.07.2023
3	Civil (Land Matter) 07.02.2017	Mahadeo Nivrutti Kalunke	State of Maharashtra	High Court of Judicature at Bombay, Bench at Aurangabad	Not quantifiable	WP No. 8238 of 2016	The petitioner has filed instant petition for demanding regularisation of possession over Land allotted to POWERGRID New Parli Substation.	Last date of hearing is 06.04.2020. Next date of hearing has not been notified yet.
4	CIVIL (Land Compensation/Tree & Crop Compensation) 13.02.2020	Rekhsingh Dasu Rathore + 27 Other Matters	Deputy Manager, POWERGRID & 3 ors	District Magistrate, Yavatmal	73,05,000/-	Case No. 1 of 2020	The Petitioner has filed instant case alleging that the land compensation for Tower Erection over petitioner's land during the construction of 765 kV D/C Warora Parli Transmission Line has not been appropriately paid as per 2017 Government Resolution.	Arguments in these matters have been concluded and the matter is pending for order.
5	CIVIL (Land Compensation/Tree & Crop Compensation) 31.08.2020	Vishambhar Deorao Kaange + 43 Ors	SDO, Umred & POWERGRID.	District Magistrate, Yavatmal	3,67,44,566/-	Revenue Case 471 of 2020	In the instant case, the farmer has filed appeal against order dated 28.01.2020 passed by Ld. SDM for assessment of land compensation. The farmer has filed appeals for enhancement of compensation.	The matter has been disposed off vide order dated 30.11.2022 whereby the learned Collector has directed to give full opportunity to the landowners in determination of compensation before sub-divisional committee
6	CIVIL (Land Compensation/Tree & Crop Compensation) 14.10.2020	Prahlad Ganpat Dawalbaje + 6 Ors	SDO, Umred & POWERGRID.	District Magistrate, Yavatmal	59,40,735/-	Revenue Case 476 of 2020	In the instant case, the farmer has filed appeal against order dated 28.01.2020 passed by Ld. SDM for assessment of land compensation. The farmer has filed appeals for enhancement of compensation.	The matter has been disposed off vide order dated 30.11.2022 whereby the learned Collector has directed to give full opportunity to the landowners in determination of compensation before sub-divisional committee
7	CIVIL (Land Compensation) 26.10.2020	Bhagwat Tukaram Bhise	Chief Manager, Powergrid Parli Transmission Line	Civil Judge, Senior Division, Ambajogai	16,68,930/- plus 18% interest from 29.10.2017 till payment	Special Civil Suit 39 of 2020	In the instant case, the petitioner has claimed that the POWERGRID has not paid land compensation erection of two leg of towers in petitioner's land and has only paid compensation for the damages done to tree & crops. Therefore, the petitioner has filed instant case suit claiming land compensation for erection of two legs of tower during the construction of 765 kV Parli- Solapur D/C Transmission Line.	Last date of hearing was 23.01.2023. Next date of hearing is 25.04.2023
8	CIVIL (Land Compensation) 07.08.2021	Ranjeet Krushnarao Kadam	SDO, Umred & POWERGRID + 49 Ors	District Magistrate, Yavatmal	3,57,76,570/-	Revenue Case 669 of 2020	In the instant case, the farmer has filed appeal against order dated 28.01.2020 passed by Ld. SDM for assessment of land compensation. The farmer has filed appeals for enhancement of compensation.	The matter has been disposed off vide order dated 30.11.2022 whereby the learned Collector has directed to give full opportunity to the landowners in determination of compensation before sub-divisional committee
9	Land Compensation	Ramdas Bhilya Rathod	PPTL & 99 Ors	DM, Yavatmal	3,72,85,649/-	2021	The instant case relates to 765Kv D/C Warora-Parli(NEW) Transmission line. The applicant's application is for enhancement of land compensation as per GR dated 31.05.2017	Arguments in these matters have been concluded and the matter is pending for order.
10	Civil (Land Matter) 19.04.2017	Ishwar annasaheb Kalunke and four others	Power Grid Corporation of India	Civil Court, Ambajogai	Not quantifiable	RCS No. 74/2017	The petitioner has filed a civil case saying that the land allotted to POWERGRID is in their possession therefore their possession to be regularized and they should not be ousted.	The case is pending for evidence on last hearing was on 23.11.2022 and since plaintiff was not appearing since long time the court has dismissed the matter.

On-going material litigations including tax disputes as on date of valuation of PWTL

Sr.No.	Nature of Matter	Name of the Petitioner/Appellant/Complainant	Name of Defendant/Respondent	Forum	Financial Claim/Impact	Case Number	Brief Summary of the facts of the matter	Current Status of the matter and the next date of hearing
(i) Statutory or Regulatory								
NIL								
(ii) Criminal Proceedings								
NIL								
(iii) other pending litigation								
1	Revenue Case	POWERGRID CORPORATION OF INDIA LIMITED	Tehsildar, Warora	Tehsildar, Warora	Rs. 33,14,410/-	Revenue Case No. 1/2018	On 10.01.2018, Ld. Tahsildar, Warora has issued an order that the PWTL has done construction for commercial use without obtaining the permission from the change of use from the agricultural purpose to non-agricultural purpose. As per said order, the Naib-Tahsildar, Warora committed error in imposing N.A. taxes of Rs. 7,45,740/- without imposing penalty and therefore, Ld. Tehsildar has reviewed order and imposed 40 times penalty of Rs. 33,14,400/- in addition to non-agricultural taxes. The said order was challenged by POWERGRID on 06.03.2018, by filing an appeal before the Sub-Divisional Officer Warora, under section 247 of Maharashtra Land Revenue Code, 1966. The main contention on behalf of the undersigned corporation was that, as per Section 44A of the Maharashtra Land Revenue Code, if the land is used for bonafide industrial use than there is no requirement of conversion of land. Further, the explanation to section 44-A of Maharashtra Land Revenue Code clearly states that the power project is a bonafide use of land for industrial purpose. Thereafter, vide order dated 17.07.2018, Hon'ble Appellate Authority under Maharashtra Land Revenue Code has partially allowed the appeal and remanded the matter to the Tahsildar, Warora for decision on the points submitted by the objector.	Vide Order dated 17.07.2018, Sub- Divisional Officer, Warora has partially accepted the Contentions of the POWERGRID and remanded the matter back to Tehsildar to pass a final order as to Non- Agriculture Tax keeping in view of the grounds raised by POWERGRID. Therefore, in view of the directions of the Ld. SDM, Warora, Tehsildar had put the matter for hearing on 4th September, 2018. On that day written arguments had been submitted by POWERGRID. The matter was further listed for oral arguments on 24th September, 2018, and Oral arguments were done by POWERGRID on that date. No order had been passed by Court on that date. Arguments was again done on 23.02.2022. Order still awaited.
2	Compensation for Damages to Crops	Smt. Anubai & 3 Ors	Power Grid Corporation of India Ltd. & 3 Ors	District Court, Wardha	9,00,000/-	MJC No. 4 of 2017	The instant case relates to 400 kV D/C LILO Wardha- Parli Transmission Line. The petitioner has filed instant suit claiming compensation for damages to crops during erection of transmission Line.	The case is currently at Evidence stage. The case was last listed on 04.03.2023 for Evidence. The Next date of hearing is 15.04.2023
3	Possession & Compensation for damages to Crops	Suresh Nehare & 5 Ors.	Shankar Nehare & 4 ors	Civil Judge Junior Division Division, Wardha	Not quantifiable	RCS N. 266 of 2017	The instant case relates to 400 kV D/C LILO Wardha- Parli Transmission Line. The petitioner has filed instant suit claiming for declaration of partition & possession of survey no. 138 of muza nimsada, The- Deoli, Dist- Wardha. The petitioner has also claimed the compensation amount recieved from POWERGRID for erection of transmission Line has not been distructured between petitioner & defendant no. 1.	The case was last listed on 05.04.2023 for Evidence. The Next date of hearing is 15.04.2023



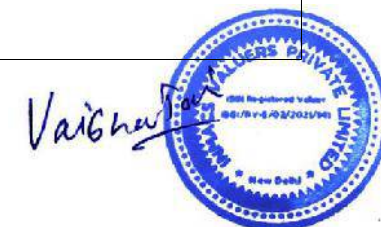
Sr.No.	Nature of Matter	Name of the Petitioner/Appellant/Complainant	Name of Defendant/Respondent	Forum	Financial Claim/Impact	Case Number	Brief Summary of the facts of the matter	Current Status of the matter and the next date of hearing
4	Writ Petition	Umesh Dhamdar and others	Union of India & Others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	W. P. No. 3381/2018	The petitioner has filed a writ petition against the POWERGRID challenging the order passed by the District Magistrate, Chhindwara dated 18.05.2017 & to set aside the order & also to determine the compensation as per the guidelines dated 15.10.2015, towards the damage caused during the construction of 765 K.V Double Circuit Gadawara STPS(M.P) to Warora (MH) TL.	Case is pending, Next date of hearing not updated yet.
5	Writ Petition	Damodar and Others	Union of India & Others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	W. P. No. 3385/2018	The petitioner has filed a writ petition against the POWERGRID challenging the validity of Notice dated 20.01.2017 issued by the POWERGRID and to quash & set aside the said notice.	Case is pending, Next date of hearing not updated yet.
6	Writ Petition	Hemraj Singh & Others	Power Grid Corporation of India Ltd.	Hon'ble High Court of MP, Jabalpur	Not quantifiable	W. P. No. 27860/2019	POWERGRID installed 765 K.V.D.C Line for supply of electricity to the State of Maharashtra on the land of the petitioner & notices dated 15.06.2016 & 21.01.2017 were issued only for the payment of the compensation for the removed Sugarcane crops. Hence the present petition before the Hon'ble H.C. Jabalpur, stating that as the transmission of 765 KVDC electricity line & the ROW approached has covered 67 mtr. Width area as approaching road so constant danger of electrocution to the petitioner & his family hence prayed before the Hon'ble court to Command POWERGRID to properly calculate & value the land of petitioner affected by the ROW & make proper compensation for it within specified time.	Case is pending, Next date of hearing not updated yet.
7	Writ Petition	Rajbhashan Rajput	Power Grid Corporation of India Ltd.	Hon'ble High Court of MP, Jabalpur	Not quantifiable	W. P. No. 17544/2020	The petitioner files petition for the compensation for the deprivation of land secured in respect of Right of Way for transmission lines installed during the installation work carried out 765 KV DC high tension line in District Narsinghpur. The petitioner prays to properly calculate and value the land of petitioner affected by ROW and make proper compensation. The Petitioner asked for Interim Injunction from court to prevent the respondents from transmitting the electricity from the said lines. No injunction granted by Court.	Case is pending, Next date of hearing is awaited.
8	Writ Petition	Hiralal Singh	PWTL and Others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	W. P. No. 5221/2021	The petitioner files petition for the compensation for the deprivation of land secured in respect of Right of Way for transmission lines installed during the installation work carried out 765 KV DC high tension line in District Narsinghpur. The petitioner prays to properly calculate and value the land of petitioner affected by ROW and make proper compensation. The Petitioner asked for Interim Injunction from court to prevent the respondents from transmitting the electricity from the said lines. No injunction granted by Court.	Case is pending, Next date of hearing is awaited.



Sr.No.	Nature of Matter	Name of the Petitioner/Appellant/Complainant	Name of Defendant/Respondent	Forum	Financial Claim/Impact	Case Number	Brief Summary of the facts of the matter	Current Status of the matter and the next date of hearing
9	Writ Appeal	Madhulata Patel	PWTL and Others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	W. A. No. 735/2021	The petitioner files petition for the compensation for the deprivation of land secured in respect of Right of Way for transmission lines installed during the installation work carried out 765 KV DC high tension line in District Narsinghpur. The petitioner prays to properly calculate and value the land of petitioner affected by ROW and make proper compensation. The Petitioner asked for Interim Injunction from court to prevent the respondents from transmitting the electricity from the said lines. No injunction granted by Court. The present petitioners have filed writ before Hon'ble High Court of MP, Jabalpur bench as WP 2638/2020 for the enhancement of compensation. The said WP was disposed off vide order dated 07.02.2020 and remanded the matter to District Collector, Narsinghpur for deciding the case of petitioner for grant of ROW Compensation as per guidelines dated 15.10.2015. The collector rejected the claim of the petitioner vide order dated 17.12.2020. The petitioner again filed writ vide WP No. 7558/2020 against the order dated 17.12.2020 passed by District Collector, Narsinghpur. The said WP was disposed off by the Hon'ble High Court of MP, Jabalpur bench vide order dated 12.07.2021 stating that petitioner have remedy to state his claim before District Judge. The present writ appeal is filed against the order dated 12.07.2021.	Case is pending, Next date of hearing is awaited.
10	Contempt Petition	Surat Singh	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 343/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
11	Contempt Petition	Parath Singh	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 352/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
12	Contempt Petition	Bheemraj Singh	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 356/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
13	Contempt Petition	Rajesh Singh	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 357/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.



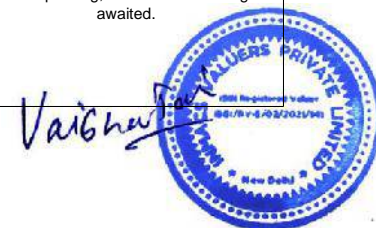
Sr.No.	Nature of Matter	Name of the Petitioner/Appellant/Complainant	Name of Defendant/Respondent	Forum	Financial Claim/Impact	Case Number	Brief Summary of the facts of the matter	Current Status of the matter and the next date of hearing
14	Contempt Petition	Prabha Bai	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 973/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
15	Contempt Petition	Gajraj Singh	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 974/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
16	Contempt Petition	Jhalkan Singh	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 975/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
17	Contempt Petition	Sukhran Thakur	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 976/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
18	Contempt Petition	Vijay Singh	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 977/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.



Sr.No.	Nature of Matter	Name of the Petitioner/Appellant/Complainant	Name of Defendant/Respondent	Forum	Financial Claim/Impact	Case Number	Brief Summary of the facts of the matter	Current Status of the matter and the next date of hearing
19	Contempt Petition	Hemraj Singh	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 978/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
20	Contempt Petition	Prakash Singh Kurmi	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 979/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
21	Contempt Petition	Uttam Singh	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 980/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
22	Contempt Petition	Anil Pratap Singh	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 981/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
23	Contempt Petition	Jawahar Singh	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 982/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
24	Contempt Petition	Ambika Prasad	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 983/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.



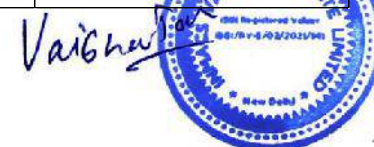
Sr.No.	Nature of Matter	Name of the Petitioner/Appellant/Complainant	Name of Defendant/Respondent	Forum	Financial Claim/Impact	Case Number	Brief Summary of the facts of the matter	Current Status of the matter and the next date of hearing
25	Contempt Petition	Malkhan Singh	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 985/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
26	Contempt Petition	Sahablal Singh	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 986/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
27	Contempt Petition	Arvind Khangar	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 987/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
28	Contempt Petition	Jitendra Kaurav	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 988/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
29	Contempt Petition	Abhishek Kaurav	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 989/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.



Sr.No.	Nature of Matter	Name of the Petitioner/Appellant/Complainant	Name of Defendant/Respondent	Forum	Financial Claim/Impact	Case Number	Brief Summary of the facts of the matter	Current Status of the matter and the next date of hearing
30	Contempt Petition	Uma Bai	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 990/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
31	Contempt Petition	Chandra Pal Singh	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 991/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
32	Contempt Petition	Uttam Singh Kaurav	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 992/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
33	Contempt Petition	Neeraj Kumar Kaurav	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 993/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
34	Contempt Petition	Shivendra Singh	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 994/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.



Sr.No.	Nature of Matter	Name of the Petitioner/Appellant/Complainant	Name of Defendant/Respondent	Forum	Financial Claim/Impact	Case Number	Brief Summary of the facts of the matter	Current Status of the matter and the next date of hearing
35	Contempt Petition	Kanti Bai	Sh. K Shrikant, CMD POWERGRID and 3 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 995/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
36	Contempt Petition	Rajni Rajput	Sh. Sanjay Gupta GM, POWERGRID and 2 others	Hon'ble High Court of MP, Jabalpur	Not quantifiable	Conc. No. 1221/2021	Hon'ble High Court of MP, Jabalpur directed Collector, Narsinghpur to decide representation of petitioners regarding payment of Compensation within 60 days, and no order was passed against POWERGRID to be complied. As per contempt petition Collector failed to comply the order within 60 days, and therefore petitioner moved with contempt petition against District Collector and also made POWERGRID a formal party in the petition.	Case is pending, Next date of hearing is awaited.
37	Kawadu Rajba Meshram Vs Chief manager PWTL	Kawadu Rajba Meshram	Chief manager PWTL, Wardha	District Court Warora	Rs. 17,70,301.37/-	CMA 38 of 2018	That the plaintiff in the matter seeks compensation for the damages caused to his land and crop during construction of 400kV D/C Warora-Parli LILO (PWTL) Line. They have sought compensation of 10 lakh rupees with interest @ 18% from date of filing	The matter is currently at the stage of Evidence. The last date of hearing in the matter was 05.04.2023 and next date of hearing in the matter was 14.06.2023
38	Sushila Bapurao Uikey Vs PWTL	Sushila Bapurao Uikey	PWTL and Ors	District Judge Hinganghat	RS. 1,33,24,465.75/-	CMA 02 of 2018	That the plaintiff in the matter seeks compensation for the damages caused to his land and crop during construction of 765kV D/C Gadawara - Warora Tr. Line (Part-III). They have sought compensation of 65 lakh rupees with interest @ 18% from June 2017.	The case is currently at Evidence stage. The case was last listed on 24.03.2023 for Evidence. The Next date of hearing is 10.04.2023
39	Shankar Shama Dhole and other Vs POWERGRID and Ors	Shankar Shama Dhole and other	POWERGRID and Ors	District Judge Hinganghat	Rs. 20,98,100/-	MJC No. 22/2019	That the plaintiff in the matter seeks compensation for the damages caused to his land and crop during construction of 765kV D/C Gadawara - Warora Tr. Line (Part-III). They have sought compensation of Rs. 20,98,100/-	The case is currently at Evidence Stage. Last date of hearing in the matter was 06.04.2023 and next date of hearing in the matter is 02.05.2023
40	Compensation and Injunction	Diwakar Deorao Zore and 1	Collector Wardha & Ors	Civil Court Senior Division Hinganghat	Rs.6,00,000/-	RCS 18 of 2022	The plaintiff in the matter has sought compensation and temporary and mandatory injunction regarding the construction of transmission line over its well.	PWTL has appeared in the matter and has filed its preliminary application. The last date of hearing in the matter was 23.03.2023 and next date of hearing in the matter is 18.04.2023 for filing of reply by plaintiff on the application filed by PWTL.
41	Compensation	Sou urmila VishnuPrasad	Ramesh Prasad & Ors	Civil Judge, Sr. Division, Nagpur	Rs. 7,59,764.12	SPI C S 144 of 2023	Shri Ashok Paliwal who was the owner of the field bearing survey no 146 on which 765 kv Gadawara- Warora was laid, died in the year 2017. The plaintiff is the real sister of the deceased owner and therefore has claimed one forth share in the compensation disbursed by POWERGRID for construction of line.	The Case is currently at Notice stage. The last date of hearing is 01.04.2023 and next date of hearing is 25.04.2023



On-going material litigations including tax disputes as on date of valuation of PJTL

Sr.No.	Nature of Matter	Name of the Petitioner/Appellant/Complainant	Name of Defendant/Respondent	Forum	Financial Claim/Impact	Case Number	Brief Summary of the facts of the matter	Current Status of the matter and the next date of hearing
(i) Statutory or Regulatory								
NIL								
(ii) Criminal Proceedings								
NIL								
(iii) other pending litigation								
1	Writ Petition	Soni Seva Shiksha Samiti	Power Grid Corporation of India Limited	High Court of MP, Jabalpur	Not Quantified	WP No. 3390/2018	Case is filed against construction of 765 KV Vindhyaachal Jabalpur Pooling T/L for injunction against the construction work by POWERGRID.	Case is pending, Next date of hearing not updated yet.
2	Writ Petition	Ajay Kumar Pandey	Union Of India and Others	High Court of MP, Jabalpur	Not Quantified	WP No. 15430/2017	Case pertaining to 765 KV D/C Jabalpur T/L filed by Shri Ajay Kumar Pandey for enhancement of Compensation for damages caused during the construction of POWERGRID T/L.	Case is pending, Next date of hearing not updated yet.
3	Writ Petition	Ram Gopal Patel	State of MP and Others	High Court of MP, Jabalpur	Not Quantified	WP No. 17865/2017	Case is pertaining to 765 KV DC Jabalpur Pooling Part- IV filed by Shri Ram Gopal Patel. Prayer for Compensation for damages caused during construction by POWERGRID in the subject land of Petitioner.	Case is pending, Next date of hearing not updated yet.
4	Civil Case - Compensation	Rama Agarwal	Power Grid Corporation of India Limited and Others	Civil Judge, Patan	Not Quantified	RCS A 01/2018	Case filed for payment of compensation for loss of tree and crop in the land of petitioner during the construction activities by POWERGRID.	08.04.2023
5	Contempt Petition	Saguna Bai	Anant Dubey, DGM, POWERGRID	High Court of MP, Jabalpur	Not Quantified	Conc No. 2924/2019	The Contempt petition filed by the petitioner against the POWERGRID, for the non-compliance of the order dated 09.01.2019 in W.P. 11095/2019, Directing POWERGRID to ascertain compensation & pay thereafter to the petitioner within a period of four weeks. Hence this contempt petition before the Hon'ble High Court, Jabalpur.	Case is pending, Next date of hearing not updated yet.



Photographs and physical inspection of the assets of VTL



Site Visit

The virtual site visits for verification of assets of both the transmission lines have been carried out on March 28th, 2023.

Observation

During the verification it was observed all the assets were in operational conditions.

Vaighanesh


Photographs and physical inspection of the assets of PKATL



Site Visit

The virtual site visits for verification of assets of the SPV have been carried out on March 28th, 2023.

Observation –

During the verification it was observed all the assets were in operational conditions.



Photographs and physical inspection of the assets of PPTL





Site Visit

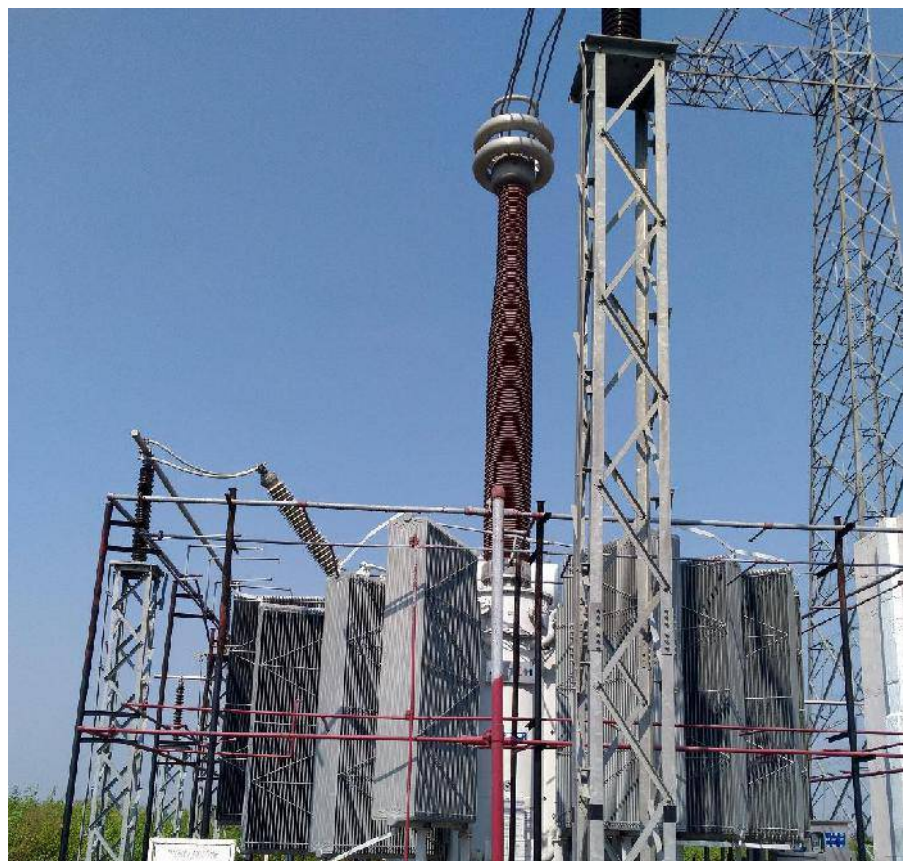
The virtual site visits for verification of assets of SPV have been carried out on March 29th, 2023.

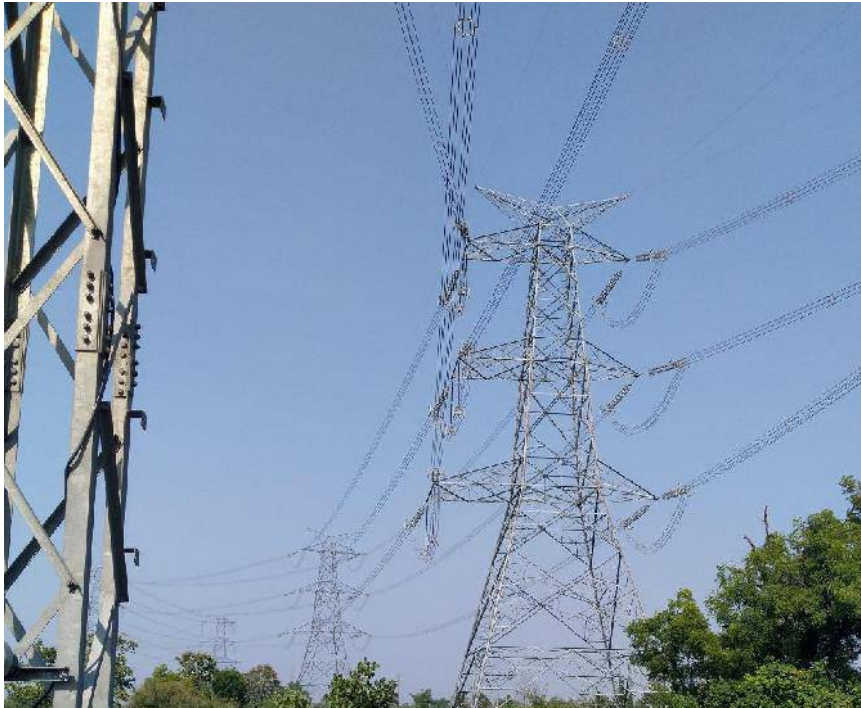
Observation

During the verification it was observed all the assets were in operational conditions.



Photographs and physical inspection of the assets of PWTL





Site Visit -

The virtual site visits for verification of assets of the SPV have been carried out on March 29th, 2023.

Observation

During the verification it was observed all the assets were in operational conditions



Photographs of physical inspection of the assets of PJTL



Site Visit

The virtual site visit for verification of assets of the SPV have been carried out on March 28th, 2023.

Observation

During the verification it was observed all the assets were in operational conditions



LITIGATION PENDING AGAINST THE TRUSTEE

1. **SBI Cap Trustee** (the “**Plaintiff**”) had filed a suit before the City Civil Court, Bangalore against the Trustee and others (the “**Defendants**”) requiring sale of pledged shares for a particular price by SREI Fund/Investors, for whom the Trustee was acting as the share pledge trustee. India Competitive Global Fund (ICGC) acting through the SREI Investment Manager had a First & Exclusive Charge over the Pledged shares. At the instructions of the ICGC & SREI Investment Manager had transferred the Pledged shares to their demat account as they has First & Exclusive right over the shares. We as Share Pledge Trustee has acted on the instructions of the Lenders/Investors. ICGC/SREI sold the shares and appropriated the amounts towards their dues and transferred the surplus amount to the Plaintiff. The Plaintiff is acting for a consortium of lenders and has residual interest. The Plaintiff’s case is that the ICGC/SREI has appropriated more amount than their dues. The aggregate claim amount is Rs. 1,550.3 million. The Branch Manager of SBI along with their counsel submitted to the Court that they are willing to explore settlement. The Court referred the matter for pre-conciliation efforts. In the afternoon session, our Advocate appeared before the Conciliator. Advocate briefly explained the dispute to the Conciliator. The Plaintiff informed the Conciliator that if Trinity provides the details of the loan transaction and a statement of accounts in relation to the same, this information would help them resolve the dispute quickly. The case was listed on 30.09.2021 for further conciliation. As no representative was present on behalf of the Company, the Court has recorded that there is no settlement between the parties. The case was adjourned to October 27, 2021 for the parties to proceed with the litigation. The case is now revolving around the proving of the dues by ICGC/SREI and appropriation of amounts. We as ITSL had no role in sale of shares, maintenance of books of accounts and appropriation of amounts and transfer of surplus amount. The matter was adjourned to 16.11.2021 for framing of Issues, 23.11.2021 for filing of list of witnesses ICGC ,SREI & ITSL, for filing of affidavit of evidence by SBI, 07.12.2021 for cross examination of witnesses of SBI, 14.12.2021 for filing of affidavit of evidence by ICGC/SREI /Trinity/ITSL and 21.12.2021 for cross examination of witnesses of Trinity and ITSL and 07.01.2022 for further orders. We as ITSL has filed an application under Order 1 Rule 10(2) read with Section 151 of the Code of Civil Procedure, 1908 for unsuiting ITSL from the suit and for deleting the name of ITSL from the array of the parties. The matter is now listed on 30.06.2022 for arguments on the application of ITSL for deleting the name of ITSL from the array of the parties. ITSL has no role in sale of shares & appropriation of sale proceeds. The Plaintiff appeared and filed the amended plaint and copies of the documents in two volumes (volume I consisting of 410 pages and volume II consisting of 598 pages). The Learned Judge upon examining the volumes observed that the Plaintiff had not filed the statement of truth. Therefore, the Learned Judge adjourned the matter for filing the statement of truth and additional written statement, if any. ITSL has filed it’s additional Written Statement on 12th August, 2022. The matter adjourned to 25th January, 2023 for the reply arguments by the Defendants 2 & 3. The main contention taken by the Plaintiff Advocate while arguing on IA is that they are entitled for complete residual dues which Defendant No 2 & 3 have received while selling the pledged shares. Now the matter is posted on 3rd July, 2023 for orders on IAs.

2. **Balmer Lawrie and Company Limited** and another (the “**Plaintiffs**”) had filed a petition before the Calcutta High Court against the Trustee and certain others (the “**Defendants**”) challenging the validity of the sale transaction of 1,48,20,000 shares in Transafe Services Limited by the Defendant to the Plaintiff. The Plaintiffs have inter alia sought (a) the recovery of consideration received by the Defendants for the allegedly void contract being ₹ 237.12 million and (b) interest at the rate of 18% per annum on the decretal amount. The success of the Petitioner against the Trustee in the instant petition being agitated is remote. The matter is currently pending.
3. **Future Corporate Resources Limited (FCRL)** In the matter of FCRL ESOP Trust, SEBI Adjudicating Officer has passed an order dated the February 3, 2021, on the ground of insider trading against eight persons including FCRL Employees Trust of which ITSL is a trustee. FCRL along with FCRL Employee Welfare Trust has been jointly and severally directed to disgorge an amount of ₹ 2, 75, 68,650/-. ITSL has submitted that ITSL as a trustee has acted on the instructions of the committee and not liable for insider trading and has not gained or received any amount. ITSL and FCRL Employee Welfare Trust are separate. All the said persons have filed an appeal before SAT against the said SEBI Order dated the February 3, 2021. SAT has given the next date of hearing on 18.04.2023. The matter was part heard on 18.04.2023 and adjourned to 19.04.2023. On 19.04.2023, SAT has reserved it’s order and directed parties to file Written Submissions within 10 days. Written Submissions filed. The Orders awaited. The case is against FCRL Employees Trust and not against ITSL. The matter is sub-judice.
4. **Muthoot Finance Ltd.Vs. Trustees Association of India(TAI), ITSL, Axis Trustee & SBICAP Trustee)** – (Case No.29 of 2021) before Competition Commission of India(CCI).

On 10.09.2021, the Competition Commission of India(CCI) received an information from Muthoot Finance Limited (Informant) against Trustees Association of India (TAI) and three of its members, i.e., IDBI Trusteeship Services Limited, Axis Trustee Services Limited, and SBI CAP Trustee Company Limited (collectively referred to as ‘OPs’) for alleged contravention of Sections 3(3) and 4 of the Competition Act, 2002 (Competition Act) (hereinafter referred to as the ‘Information’). I .e. for entering into anti-competitive agreement and formation of Cartel. CCI.

The CCI has passed an order dated 23.12.2021 under Section 26(1) of the Competition Act, 2002 (Competition Act) directing the Director General to investigate the conduct of Trustees’ Association of India’s (TAI), IDBI Trusteeship Services Limited (IDBI), Axis Trustee Services Limited and SBICAP Trustee Company (together referred to as the ‘OPs’) and its office bearers for *prima facie* violating Section 3(1) read with Section 3(3) of the Competition Act (Prima Facie Order) dealing with anti-competitive horizontal agreement (including cartel).

TAI, ITSL, Axis Trustee & SBICAP Trustee filed Civil Writ Petition Nos. 3781 of 2022, 3791 of 2022, 3842 of 2022 and 3847 of 2022 respectively before Bombay High

Court challenging the jurisdiction of CCI as the SEBI as Sectoral Regulator has Jurisdiction to decide the matter. The matter has been adjourned to 15th February, 2023 for hearing on Application by CCI for vacation of Stay.

At the hearing held on 21st February,2023, the Bombay High Court directed CCI to first decide the jurisdictional issue, leaving all other contentions open. Matter to go before CCI.

We have filed detailed application on 21st March, 2023 before CCI to decide upon jurisdiction and as opined by SEBI test laid down in the case of Bharti Airtel is not satisfied, therefore, recall the Prima Facie Order and forthwith close the proceedings against TAI (including Respondent DTs).

5. R.K. Mohata Family Trust Vs. ITSL & Ors.

One Mr .R.K.Mohata Family Trust has filed Commercial Suit (lodging) No. 27568 of 2021 before Bombay High Court against ITSL & RHFL praying for holding of meeting of debenture holders of RHFL as also damages of Rs.1,05,50,902 against ITSL towards his investment. Hon'ble Bombay High Court vide their orders dated the 31.03.2022 read with the Order dated the 06.04.2022 and the order dated the 10.05.2022 directed ITSL to hold the meeting of debenture holders. ITSL convened a meeting of the debenture holders on 13.05.2022 and as directed by Hon'ble Bombay High Court and the Results of the voting of meeting have been placed before the Hon'ble Bombay High Court in sealed cover. The matter is *sub-judice* before the Hon'ble Bombay High Court. Authum (AAIL) filed an appeal before the Hon'ble Supreme Court against the order of BHC. The matter was listed for hearing on 31st January,2023. The matter was part heard and thereafter adjourned.

Arising out of SLP© No. 411 of 2023 filed by Authum Investments & Infrastructure Ltd.(AAIL) Vs. R.K.Mohtta Family Trust & Ors, Supreme Court vide their Order dated the 3rd March,2023 allowed the Resolution Plan filed by AAIL and directed AAIL to make the payments prior to 31st March, 2023. AAIL has made the payment.

6. SCR 109885 – 1/394/14 - J Patel & 68 Others (All investors of Dynamic India Fund III) Vs. Dynamic India Fund III, International Financial Services, ICICI Venture Funds Management Company Limited, ICICI Bank and ITSL , before Supreme Court of Mauritius.

Suit is filed by investors seeking compensation and damages of Rs. USD 103, 699, 976 for the loss of their investments in Dynamic India Fund III from Dynamic India Fund III, International Financial Services, ICICI Venture Funds Management Company Limited, ICICI Bank and ITSL.

All the Defendants including ICICI Venture have raised preliminary objections to the Suit.

DIF III has raised five preliminary objections to the Suit viz. (i) Plaintiffs have been wrongly styled; (ii) Suit is a disguised derivative action and the appropriate court to hear it is the Commercial Court and not the Civil Court; (iii) there is a connected Stay

Application filed before the Commercial Court by DIF III that the Suit has to be stayed as the Suit is a Class Action suit and hence the Commercial Court and not the Civil Court has the jurisdiction to hear the Suit; (iv) the Plaintiffs should have put the other shareholders of DIF III into cause; and (v) the Plaintiffs have to provide Security for costs to all the Defendants.

The other Defendants have raised preliminary objections with respect to privity of contract and jurisdiction of Mauritius Courts.

Nearly 6 years after the Suit was filed in 2014 in Mauritius, on January 28, 2020, the court heard arguments on only two of the preliminary objections raised by ICICI Bank and ICICI Venture viz. (a) Mauritius court lacks jurisdiction to hear disputes between non-Mauritians (both the Plaintiffs and the Defendants No. 3 and 4 i.e. ICICI Bank and ICICI Venture are not Mauritius residents); and (b) Mauritius court is not the convenient forum to hear the disputes raised.

The arguments relied, amongst others, related to the facts that (a) alleged conduct of ICICI Bank and ICICI Venture did not admittedly happen in Mauritius and offences, if any, happened in India; (b) investments were in real estate projects in India; (c) investments were in a real estate fund in India; and (d) Indian law governs the contractual relationship between the parties.

By an order dated June 9, 2020 the Supreme Court of Mauritius stayed the proceedings as against ICICI Bank and ICICI Venture on the grounds that none of the allegations made against ICICI Bank and ICICI Venture occurred in Mauritius and hence the courts in Mauritius lack jurisdiction to adjudicate such allegations. In the subsequent hearing on July 1, 2020, the Plaintiffs informed the Court of their decision not to appeal against the order staying the proceedings as against ICICI Venture and ICICI Bank. The proceedings would continue against the other Defendants viz. DIF III, IFS and the Trustee.

The Supreme Court of Mauritius vide its order dated the 3rd June, 2022 have deleted ICICI Bank and ICICI Venture Fund Management Company Ltd. from the array of the parties allowed to continue the case against Dynamic India Fund III, SANE Mauritius and the WITECO now ITSL.

The Plaintiffs have filed an appeal against the said Judgement dated the 3rd June, 2022 passed by The Supreme Court of Mauritius.

ICICI Venture Fund Management Company Ltd. is taking care of the matter on behalf of ITSL as a Trustee and also appointed Counsels to defend ITSL. We have taken up the matter with the ICICI Venture stating that WITECO now ITSL is also not a Mauritius resident and Mauritius court is not the convenient forum to hear the disputes raised and hence lacks the jurisdiction. Further, ITSL is acting only as a trustee and there cannot be any claim against ITSL at all as ICICI Venture Fund Management Company Ltd. was Investment Manager of the Fund who has managed all affairs of the Fund.

This matter has been put sine die i.e. adjourned with no appointed date for resumption, pending the outcome of the appeal filed by plaintiffs.

7. Pawan Kapoor & Anr. Vs. SEBI & Ors.(Karvy Data Management Services Ltd)

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In the case of Karvy Data Management Services Ltd ; one Pawan Kapoor & Amri Resorts Pvt. Ltd. the Debenture Holders have filed Writ Petition before Delhi High Court, inter alia against ITSL alleging various non compliances by ITSL and for not initiating action against Karvy Data Management Services Ltd. for defaults in payment of interest & Principal. The matter was listed before Hon'ble Delhi High Court on 19.12.2022. The Hon'ble Delhi High Court has directed Ministry of Corporate affairs to investigate in the complaint and provide report. The matter has been listed on 25/09/2023.

8. Varsha Vikram Modi Vs. ITSL, RHFL & SEBI. (Writ Petition No.348 of 2023) before Bombay High Court.

One Ms. Varsha Modi, Debenture Holder of RHFL has filed captioned Writ Petition against ITSL impleading RHFL & SEBI praying for the following reliefs:-

1. Issuance of Writ of Certiorari or any other writ under Article 226 of the Constitution of India to quash or cancel the Registration Certificate of ITSL the Respondent No.1, issued by SEBI the Respondent No.3.
2. Issuance of Writ of Certiorari or any other writ under Article 226 of the Constitution of India to direct the SEBI the Respondent No.3 to take action & conduct enquiry on the basis of complaint dated the 28th May,2022 lodged by the Petitioner with SEBI
3. Issuance of Writ of Certiorari or any other writ under Article 226 of the Constitution of India to direct RHFL to pay the amount of Rs.4.5 crore to the petitioner with respect to the NCDs issued by RHFL
4. Issuance of Writ of Certiorari or any other writ under Article 226 of the Constitution of India to direct ITSL to deposit a sum of Rs.4.5 crores with Prothonotary and Senior Master of the Court.
5. Payment of costs & any other relief as may be deemed fit & proper.

Arising out of SLP© No. 411 of 2023 filed by Authum Investments & Infrastructure Ltd.(AAIL) Vs. R.K.Mohtta Family Trust & Ors, Supreme Court vide their Order dated the 3rd March,2023 allowed the Resolution Plan filed by AAIL and directed AAIL to make the payments prior to 31st March, 2023.

Details of the Payment made to her are as follows, Her original holdings were 39*500000 = 19500000.

Her payment amount is under 27.71% which is being paid.