

CC/PUTL_COS/Stock Exchanges/87

May 25, 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: Outcome of Board Meeting of POWERGRID Unchahar Transmission Limited-the Investment Manager to POWERGRID Infrastructure Investment Trust held on Thursday, May 25, 2023

Dear Sir/Madam,

We wish to inform that the Board of Directors of POWERGRID Unchahar Transmission Limited ("PUTL") – the Investment Manager to POWERGRID Infrastructure Investment Trust ("PGInvIT"), in its meeting held today i.e. on **Thursday, May 25, 2023** has *inter alia* considered and approved:

- i. Audited Standalone and Consolidated Financial Results ("**Financial Information**") of PGInvIT for the financial year ended March 31, 2023. The Financial Information along with Audit reports issued by Statutory Auditors of PGInvIT are enclosed herewith at Annexure I.
- ii. Declaration of distribution of Rs. 3.00 per unit for the quarter ended March 31, 2023, comprising Rs. 1.90 per unit as interest, Rs 0.26 per unit as taxable dividend, Rs. 0.34 per unit as exempt dividend, Rs. 0.49 per unit as repayment of SPV Debt and Rs. 0.01 per unit as treasury income.

Record date for the distribution to the unitholders will be **Wednesday, May 31, 2023** and the payment of distribution will be made on or before **Friday, June 09, 2023**.

- iii. Valuation Report as prepared by independent valuer, M/s INMACS Valuers Private Limited ("**Independent Valuer**") bearing IBBI registration number IBBI/RV-E/02/2021/141 for the period ended on March 31, 2023. The Valuation Report is attached herewith at Annexure II.

Pursuant to Regulation 10 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended or supplemented, the Net Asset Value ("NAV") of PGInvIT as on March 31, 2023 based on the above-mentioned Valuation Report issued by the Independent Valuer is Rs. 86.04 per unit and its computation is set out as part of disclosures under the Consolidated Financial Information of PGInvIT.

We further wish to inform that there is no erosion in the net worth of PUTL - the Investment Manager to PGInvIT, as per the financial statements for the period ended on March 31, 2023 as compared to the financial statements for the period ended on March 31, 2022.

The Board meeting commenced at 12:50 p.m. and concluded at 15:05 p.m.

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
SEBI Registration Number: IN/InvIT/20-21/0016
Plot No. 2, Sector-29, Gurgaon, Haryana - 122 001
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



(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	 Achay Choudhary Chairman DIN:- 07388432 Place: Gurugram	 Purshottam Agarwal Director DIN:- 08812158 Place: Gurugram
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Sanjay Sharma
CEO
PAN: AENPS3382J
Place: Gurugram


Amit Garg
CFO
PAN: ACSPG1833F
Place: Gurugram

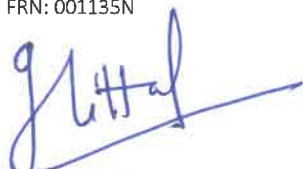


POWERGRID Infrastructure Investment Trust
SEBI Registration Number: IN/InvIT/20-21/0016
Plot No. 2, Sector-29, Gurgaon, Haryana - 122 001
Standalone Statement of Profit and Loss for the year ended 31 March 2023

		₹ 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
FRN: 001135N




(SA 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 Aohay Choudhary Purshottam Agarwal
Company Secretary Chairman Director
PAN: ABYPL2312H DIN:- 07388432 DIN:- 08812158
Place: Gurugram Place: Gurugram Place: Gurugram


Sanjay Sharma
CEO
PAN: AENPS3382J
Place: Gurugram


Amit Garg
CFO
PAN: ACSPG1833F
Place: Gurugram



POWERGRID Infrastructure Investment Trust
SEBI Registration Number: IN/InvIT/20-21/0016
Plot No. 2, Sector-29, Gurgaon, Haryana - 122 001
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

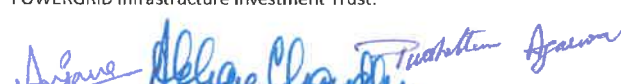



(CA Gaurav Mittal)
Membership Number: 099387
Place: New Delhi



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 Abhay Choudhary Pushottam Agarwal
Company Secretary Chairman Director
PAN: ABYPL2312H DIN:- 07388432 DIN:- 08812158
Place: Gurugram Place: Gurugram Place: Gurugram


Sanjay Sharma
CEO
PAN: AENPS3382J
Place: Gurugram


Amit Garg
CFO
PAN: ACSPG1833F
Place: Gurugram



POWERGRID Infrastructure Investment Trust
SEBI Registration Number: IN/InvIT/20-21/0016
Plot No. 2, Sector-29, Gurgaon, Haryana - 122 001
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

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.



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

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.


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



POWERGRID Infrastructure Investment Trust
SEBI Registration Number: IN/InvIT/20-21/0016
Plot No. 2, Sector-29, Gurgaon, Haryana - 122 001
Statement of Net Assets at Fair Value as at March 31, 2023

(Disclosures as required by SEBI Circular No. CIR/IMD/DF/114/2016 dated October 20, 2016 and No.CIR/IMD/DF/127/2016 dated November 29, 2016)

A. STATEMENT OF NET ASSETS AT FAIR VALUE

Sl. No.	Particulars	₹ in million			
		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

Particulars	₹ in million	
	As at 31 March 2023	As at 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



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NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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 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 standalone financial statements 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 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 31 March 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 31 March 2023 and the Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ("NDCF's") 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 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. 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.



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 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



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- 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 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 (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'



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POWERGRID Infrastructure Investment Trust

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.




POWERGRID Infrastructure Investment Trust

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.



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POWERGRID Infrastructure Investment Trust

Note 5/ Other Non-current Assets

Particulars	₹ In million	
	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	-



POWERGRID Infrastructure Investment Trust

Note 6/ Cash and Cash Equivalents

Particulars	₹ In million	
	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.



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POWERGRID Infrastructure Investment Trust

Note 7/ Bank Balances other than Cash and Cash Equivalents

Particulars	₹ In million	
	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.



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POWERGRID Infrastructure Investment Trust

Note 8/ Other Current Financial Assets

Particulars	₹ In million	
	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



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POWERGRID Infrastructure Investment Trust

Note 9/ 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 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	% 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%




POWERGRID Infrastructure Investment Trust

Note 10/ Other Equity

Particulars	₹ In million	
	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.



POWERGRID Infrastructure Investment Trust

Note 11/ Borrowings

Particulars	₹ In million	
	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
	<u>5,698.29</u>	<u>5,727.07</u>
Less: Unamortised transaction cost	6.29	6.79
Total	<u>5,692.00</u>	<u>5,720.28</u>

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.



POWERGRID Infrastructure Investment Trust

Note 12/ Other Non-current financial 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



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POWERGRID Infrastructure Investment Trust

Note 13/ 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.11 for Borrowings.



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POWERGRID Infrastructure Investment Trust

Note 14/ Other Current Financial Liabilities

Particulars	₹ In million	
	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



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POWERGRID Infrastructure Investment Trust

Note 15/ Other Current Liabilities

Particulars	₹ In million	
	As at 31 March 2023	As at 31 March 2022
Statutory Dues	0.21	0.99
Total	0.21	0.99



POWERGRID Infrastructure Investment Trust

Note 16/ Provisions

Particulars	₹ In million	
	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



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POWERGRID Infrastructure Investment Trust

Note 17/ Current Tax Liabilities (Net)

Particulars	₹ In million	
	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



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POWERGRID Infrastructure Investment Trust

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.



POWERGRID Infrastructure Investment Trust

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



POWERGRID Infrastructure Investment Trust

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



POWERGRID Infrastructure Investment Trust

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:

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)	(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

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.

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:



₹ 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%	(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.

(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



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(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

(ii) 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

(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 cease 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)

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)



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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 on 31 March 2023	For the year ended on 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
Loans to Subsidiaries		
Vizag Transmission Limited	-	7,839.88
POWERGRID Kala Amb Transmission Limited	-	1,860.00



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Particulars	For the year ended on 31 March 2023	For the year ended on 31 March 2022
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.

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.

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.

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

(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



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(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.

The gearing ratio of the Trust was as follows: -



Particulars	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.




Ratio	Numerator	Denominator	Current Year	Previous Year	Variance (%)	Reason for variance >25%
(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.
(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.



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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.

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

- Figures have been rounded off to nearest rupees in million up to two decimals.
- 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

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



(CA Gaurav Mittal)
Membership Number: 099387
Place: New Delhi




Date: 25 May 2023


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 AUDITOR'S REPORT

To,
The Unit Holders of **POWERGRID Infrastructure Investment Trust**

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 Rs.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, the 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>



<p>2</p>	<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 also 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.
<p>3</p>	<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</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



	<p>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>appropriate authorization and approval for such transactions.</p> <p>- 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.</p> <p>- Assessed and tested the disclosures made in accordance with the requirements of Ind AS and InvIT regulations.</p>
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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 Manager'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

Gaurav Mittal

(CA Gaurav Mittal)
Partner
Membership No.: 099387
UDIN: 23099387 B&W DJ X 9399



Place: New Delhi
Dated: 25 May 2023

POWERGRID Infrastructure Investment Trust
SEBI Registration Number: IN/InvIT/20-21/0016
Plot No. 2, Sector-29, Gurugram, Haryana - 122 001
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	1,09,427.54
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		1,00,432.66	1,18,541.67
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		1,00,432.66	1,18,541.67

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




(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
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Sanjay Sharma
CEO
PAN: AENPS3382J
Place: Gurugram



Amit Garg
CFO
PAN: ACSPG1833F
Place: Gurugram



POWERGRID Infrastructure Investment Trust
SEBI Registration Number: IN/InvIT/20-21/0016
Plot No. 2, Sector-29, Gurugram, Haryana - 122 001
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
Profit for the period after tax		(1,932.80)	642.56
Other Comprehensive Income		(4,464.10)	4,633.14
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

S.K. Mittal

(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 Uthra
Anjana Uthra
Company Secretary
PAN: ABYPL2312H
Place: Gurugram

Abha Choudhary
Abha Choudhary
Chairman
DIN:- 07388432
Place: Gurugram

Purshottam Agarwal
Purshottam Agarwal
Director
DIN:- 08812158
Place: Gurugram

Sanjay Sharma
Sanjay Sharma
CEO
PAN: AENPS3382J
Place: Gurugram

Amit Garg
Amit Garg
CFO
PAN: ACSPG1833F
Place: Gurugram



POWERGRID Infrastructure Investment Trust
SEBI Registration Number: IN/InvIT/20-21/0016
Plot No. 2, Sector-29, Gurugram, Haryana - 122 001
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			
	Self Insurance			Total
	Capital Reserve	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.



(CA Gaurav Mittal)
Membership Number: 099387
Place: New Delhi

Date: 25 May 2023




Anjana Luthra Abhay Choudhary Parshottam Agarwal
Company Secretary Chairman Director
PAN: ABYPL2312H DIN:- 07388432 DIN:- 08812158
Place: Gurugram Place: Gurugram Place: Gurugram


Sanjay Sharma Amit Garg
CEO CFO
PAN: AENPS3382J PAN: ACSPG1833F
Place: Gurugram Place: Gurugram



POWERGRID Infrastructure Investment Trust
SEBI Registration Number: IN/InvIT/20-21/0016
Plot No. 2, Sector-29, Gurgaon, Haryana - 122 001
Consolidated Statement of Cash Flows for the year ended 31 March 2023

₹ In million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Cash Flow from Operating Activities:		
Profit before Tax	(6,396.90)	5,275.70
Adjustments:		
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 before Changes in Assets & 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



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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	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 :-

₹ 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

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




(CA Gaurav Mittal)

Membership Number: 099387

Place: New Delhi

Date: 25 May 2023



Anjana Luthra
Company Secretary
PAN: ABYPL2312H
Place: Gurugram

Almay 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



POWERGRID Infrastructure Investment Trust
SEBI Registration Number: IN/InvIT/20-21/0016
Plot No. 2, Sector-29, Gurugram, Haryana - 122 001
Statement of Net Assets at Fair Value as at 31 March 2023

(Disclosures as required by SEBI Circular No. CIR/IMD/DF/114/2016 dated October 20, 2016 and No.CIR/IMD/DF/127/2016 dated November 29, 2016)

A. STATEMENT OF NET ASSETS AT FAIR VALUE

Sl. No.	Particulars	₹ in million			
		As at 31 March 2023		As at 31 March 2022	
		Book value	Fair value*	Book value	Fair value*
A	Assets	1,00,432.66	1,02,011.50	1,18,541.67	1,21,132.41
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	1,01,841.95
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:

Particulars	₹ in million	
	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	1,08,929.78
Assets of PGINVIT	3,038.67	2,809.26
Add/(Less): Elimination and Other Adjustments*	6,829.40	9,393.37
Total Assets	1,02,011.50	1,21,132.41

*It includes eliminations primarily pertaining to inter group lending / borrowing and consolidation adjustments

B. STATEMENT OF TOTAL RETURNS AT FAIR VALUE

Particulars	₹ in million	
	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.



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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 on 31 March 2023	For the year ended on 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 Regulation	-	-
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



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B) Statement of Net Distributable Cash Flows (NDCFs) of VTL

₹ in million

Particulars	For the year ended on 31 March 2023	For the year ended on 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 PGINVT.

* Other adjustments are with respect to changes in other non-current assets/liabilities which are not part of Working Capital.



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C) Statement of Net Distributable Cash Flows (NDCFs) of PKATL

₹ in million

Particulars	For the year ended	For the year ended
	on 31 March 2023	on 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.




D) Statement of Net Distributable Cash Flows (NDCFs) of PPTL

₹ in million

Particulars	For the year ended	For the year ended
	on 31 March 2023	on 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 PGINVT.

* Other adjustments are with respect to changes in other non-current assets/liabilities which are not part of Working Capital.



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E) Statement of Net Distributable Cash Flows (NDCFs) of PWTL

₹ in million

Particulars	For the year ended	For the year ended
	on 31 March 2023	on 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 PGINVT.

* Other adjustments are with respect to changes in other non-current assets/liabilities which are not part of Working Capital.




F) Statement of Net Distributable Cash Flows (NDCFs) of PJTL

₹ in million

Particulars	For the year ended on 31 March 2023	For the year ended on 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 PGINVT.

* Other adjustments are with respect to changes in other non-current assets/liabilities which are not part of Working Capital.



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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 ('NDCFs') of the Trust and each of its subsidiaries for the year then ended and a summary of significant accounting policies and other



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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 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.

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.

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.

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



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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.

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



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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 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 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

- The rights to receive cash flows from the asset have expired, or
- 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



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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 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 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 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.



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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.



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POWERGRID Infrastructure Investment Trust
Note 3/Property, Plant and Equipment

₹ in million

Particulars	Cost				Accumulated depreciation					Net Book Value		
	As at 01 April 2022	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2023	As at 01 April 2022	Additions during the year	Disposal	Impairment	As at 31 March 2023	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	47.92	274.83	284.18
Township	14.31	-	-	-	14.31	1.23	0.41	-	0.17	1.81	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	73,934.75	84,183.96
Substation	15,236.67	45.04	-	-	15,281.71	1,749.82	413.32	-	975.01	3,138.15	12,143.56	13,486.85
Unified Load Dispatch & Communication	42.41	-	-	-	42.41	6.15	1.96	-	4.09	12.20	30.21	36.26
Furniture and Fixtures	21.11	-	-	-	21.11	3.61	1.88	-	1.71	7.20	13.91	17.50
Office equipment	2.46	0.22	-	-	2.68	1.01	0.39	-	0.10	1.50	1.18	1.45
Electronic Data Processing & Word Processing Machines	0.73	-	-	-	0.73	0.71	-	-	-	0.71	0.02	0.02
Construction and Workshop equipment	0.14	-	-	-	0.14	0.02	-	-	0.01	0.03	0.11	0.12
Electrical Installation	4.06	-	-	-	4.06	1.02	0.34	-	0.04	1.40	2.66	3.04
Workshop & Testing Equipments	25.04	-	-	-	25.04	1.09	0.90	-	0.36	2.35	22.69	23.95
Miscellaneous Assets/Equipments	0.18	-	-	-	0.18	0.09	0.03	-	0.01	0.13	0.05	0.09
Total	1,10,826.36	61.50	-	-	1,10,887.86	12,466.82	3,000.26	-	8,675.27	24,142.35	86,745.51	98,359.54

Further Note :

The Group owns 72.53 Hectare of Freehold Land amounting to ₹ 201.19 million based on available Documentation.

₹ in million

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 2022
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	1,10,736.62	96.84	-	(7.09)	1,10,826.37	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.



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POWERGRID Infrastructure Investment Trust
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 Township	-	5.72	-	5.72	-
	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 Township	-	14.06	(14.09)	(0.03)	-
	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:

₹ in million					
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



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POWERGRID Infrastructure Investment Trust
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".



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POWERGRID Infrastructure Investment Trust
Note 6/Other Intangible assets

₹ in million

Particulars	Cost				Accumulated Amortisation					Net Book Value		
	As at 01 April 2022	Additions during the year	Disposal	Adjustment during the year	As at 31 March 2023	As at 01 April 2022	Additions during the year	Disposal	Impairment	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	179.23	50.65	-	193.64	423.52	1,379.14	1,623.43
Rights to Additional Revenue	3,041.50	-	-	-	3,041.50	0.27	97.24	-	332.69	430.20	2,611.30	3,041.23
Total	4,844.16	-	-	-	4,844.16	179.50	147.89	-	526.33	853.72	3,990.44	4,664.66

₹ in million

Particulars	Cost				Accumulated Amortisation					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 2022
Electronic Data Processing Software	0.07	-	-	-	0.07	0.07	-	-	-	0.07	-
Right of Way-Afforestation Expenses	1,798.60	4.06	-	-	1,802.66	134.39	44.84	-	-	179.23	1,623.43
Rights to Additional Revenue*	-	3,041.50	-	-	3,041.50	-	0.27	-	-	0.27	3,041.23
Total	1,798.67	3,045.56	-	-	4,844.23	134.46	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.



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POWERGRID Infrastructure Investment Trust

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
	<u>3.27</u>	<u>3.30</u>
Others		
Advance Tax and Tax Deducted at Source	2,240.08	1,894.90
Less: Tax Liabilities - (From Note 24)	<u>1,618.83</u>	<u>1,431.11</u>
	<u>621.25</u>	<u>463.79</u>
TOTAL	<u>624.52</u>	<u>467.09</u>



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POWERGRID Infrastructure Investment Trust
Note 8/Inventories

₹ in million

Particulars	₹ in million	
	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



POWERGRID Infrastructure Investment Trust
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		₹ in million						Total
		Unbilled	0-6M	6M-1Y	1Y-2Y	2Y-3Y	>3Y	
As at 31 March 2023								
Considered – Good	Undisputed	1624.95	813.86	181.04	628.49	13.91	0.80	3263.05
	Disputed	-	-	-	-	-	-	-
Significant increase in Credit Risk	Undisputed	-	-	-	-	-	-	-
	Disputed	-	-	-	-	-	-	-
Credit Impaired	Undisputed	-	-	-	-	0.08	18.88	18.96
	Disputed	-	-	-	-	-	-	-
		1624.95	813.86	181.04	628.49	13.99	19.68	3,282.01
As at 31 March 2022								
Considered – Good	Undisputed	1713.44	1154.04	288.24	177.51	0.73	0.81	3334.77
	Disputed	-	-	-	-	-	-	-
Significant increase in Credit Risk	Undisputed	-	-	-	-	-	-	-
	Disputed	-	-	-	-	-	-	-
Credit Impaired	Undisputed	-	-	-	0.08	0.12	18.76	18.96
	Disputed	-	-	-	-	-	-	-
		1713.44	1154.04	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."



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POWERGRID Infrastructure Investment Trust
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.



POWERGRID Infrastructure Investment Trust
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.



POWERGRID Infrastructure Investment Trust
Note12/Other Current Financial Assets

(Unsecured considered good unless otherwise stated)

₹ in million

Particulars	As at 31 March	As at 31 March
	2023	2022
Interest accrued on Term Deposits	31.76	33.89
Others	0.25	5.92
Total	32.01	39.81



POWERGRID Infrastructure Investment Trust
Note 13/Other Current Assets
(Unsecured considered good unless otherwise stated)

₹ in million

Particulars	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 Rs. 335.01 million in Compensatory Afforestation Management and Planning Authority (CAMPA) Fund. The Order was against the SPV and the Department raised demand to pay the due Service Tax of Rs. 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 Rs.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.



POWERGRID Infrastructure Investment Trust
Note 14/ 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 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.

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%



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POWERGRID Infrastructure Investment Trust
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	-	-

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.



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POWERGRID Infrastructure Investment Trust
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.



POWERGRID Infrastructure Investment Trust
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
	<u>15,212.94</u>	<u>16,855.75</u>
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
	<u>4,057.96</u>	<u>3,557.82</u>
Net Deferred tax liability	11,154.98	13,297.93

Particulars	₹ in million
Movement in Deferred Tax Liability	
	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

Particulars	Unused Tax Losses	Provisions	MAT Credit	Others	Total
Movement in Deferred Tax asset					
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

Particulars	As at 31 March 2023	As at 31 March 2022
Amount taken to Statement of Profit and Loss		
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



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POWERGRID Infrastructure Investment Trust
Note 18 /Other Non Current Liabilities

₹ in million

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



POWERGRID Infrastructure Investment Trust
Note 19 / Borrowings

₹ in million

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.



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POWERGRID Infrastructure Investment Trust
Note 20/Trade payables

Particulars	₹ in million	
	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 :

1.Ageing of Trade Payables is as follows:	₹ in million					Total
	Not Billed	<1Y	1Y-2Y	2Y-3Y	>3Y	
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



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POWERGRID Infrastructure Investment Trust
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
	<u>244.48</u>	<u>212.90</u>
Total	244.94	214.64



POWERGRID Infrastructure Investment Trust
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



POWERGRID Infrastructure Investment Trust
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



POWERGRID Infrastructure Investment Trust
Note 24/ Current Tax Liabilities (Net)

₹ in million

Particulars	₹ in million	
	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)
Closing Balance	-	0.11



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POWERGRID Infrastructure Investment Trust
Note 25/Revenue from Operations

Particulars	₹ in million	
	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	<u>12,857.85</u>	<u>12,173.39</u>

Refer Note 49 for disclosure as per Ind AS 115 "Revenue from Contracts with Customers"



POWERGRID Infrastructure Investment Trust
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
	<u>167.13</u>	<u>142.67</u>
Others		
Surcharge	76.54	105.74
Liquidated damage recovery	-	0.01
Miscellaneous income	51.39	12.32
	<u>127.93</u>	<u>118.07</u>
Total	<u>295.06</u>	<u>260.74</u>

CS *B*



POWERGRID Infrastructure Investment Trust
 Note 27/ Other Expenses

₹ in million

Particulars	₹ in million	
	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



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POWERGRID Infrastructure Investment Trust
Note 28/Employee Benefits Expense

Particulars	₹ in million	
	As at 31 March 2023	As at 31 March 2022
Salaries, wages, allowances & benefits	11.40	3.15
Total	11.40	3.15



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POWERGRID Infrastructure Investment Trust
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



POWERGRID Infrastructure Investment Trust
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



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 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.



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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).

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.



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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

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



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(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

(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 cease 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)



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(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:

₹ in million

Particulars	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	-

(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



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Particulars	For the year ended on 31 March 2023	For the year ended on 31 March 2022
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 Rs 810.10 million, Rs 1,118.40 million and Rs 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,



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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.

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

- a. Rs. 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 previous year included Rs. 24.38 million for the period from 18 December 2020 to 31 March 2021.



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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 31 March 2023	As at 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

- a) 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 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.
 - 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.
 - 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.
 - 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 Rs. 335.01 million in Compensatory Afforestation Management and Planning Authority (CAMPA) Fund.



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The Order was against the Group and Department raised demand to pay the due Service Tax of Rs. 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 Rs. 50.25 million and Rs. 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 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.



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(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.

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
<u>As at 31 March 2023</u>		
Term Loan from Bank	5,727.07	28.73
<u>As at 31 March 2022</u>		
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.

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 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	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.

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



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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.

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



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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

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



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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

- a) 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.
- b) The Group does not have any transactions with struck off companies.
- c) 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.

d) 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	-



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- 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



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 ('NDCFs') 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.

Sr. No.	Key Audit Matter	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 Rs. Nil, Rs. 86,745.51 million and Rs 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</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>



	evaluation of impairment of Goodwill, PPE and IA has been determined as a 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 also 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 Manager'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 PGINvit, 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 Rs. 68734.72 million and net worth of Rs. 12,935.02 million as at 31 March 2023, total revenue from



operation of Rs 12,857.85 million and net cash outflows amounting to Rs. 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.

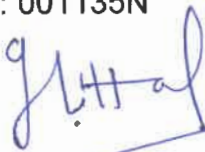
Our opinion above on the consolidated financial statements, and our reports on the Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors.

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



(CA Gaurav Mittal)
Partner

Membership No.: 099387

UDIN: 23099387B6W DJZ8977

Place: New Delhi
Dated: 25 May 2023

POWERGRID Infrastructure Investment Trust
SEBI Registration Number: IN/InvIT/20-21/0016
Plot No. 2, Sector-29, Gurugram, Haryana - 122 001
Standalone Statement of Profit and Loss for the quarter, half year and year ended 31 March 2023

Particulars	₹ in million							
	For the quarter ended on 31 March 2023	For the quarter ended on 31 December 2022	For the quarter ended on 31 March 2022	For the half year ended on 31 March 2023	For the half year ended on 30 September 2022	For the half year ended on 31 March 2022	For the Year ended on 31 March 2023	For the Year ended on 31 March 2022
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Audited)	(Audited)
INCOME								
Revenue From Operations	2,493.60	2,569.29	2,820.62	5,062.89	5,427.47	5,563.24	10,490.36	9,731.30
Other Income	12.94	17.00	11.89	29.94	27.06	26.19	57.00	26.30
Total Income	2,506.54	2,586.29	2,832.51	5,092.83	5,454.53	5,589.43	10,547.36	9,757.60
EXPENSES								
Valuation Expenses	-	0.19	0.12	0.19	-	0.12	0.19	0.12
Payment to Auditor								
-Statutory Audit Fees	0.12	-	0.12	0.12	-	0.12	0.12	0.12
-Other Services (Including Tax Audit & Certifications)	0.03	0.02	-	0.05	0.06	0.02	0.11	0.07
Investment Manager fees	24.04	23.25	22.52	47.29	45.79	44.30	93.08	111.57
Trustee Fee	-	-	-	-	0.35	-	0.35	0.35
Other Expenses	3.68	0.78	1.58	4.46	8.58	2.87	13.04	2.96
Finance costs	112.85	115.78	0.91	228.63	185.70	0.91	414.33	0.91
Impairment of Investment in Subsidiaries	911.98	-	373.71	911.98	11,850.78	373.71	12,762.76	1,831.93
Total expenses	1,052.70	140.02	398.96	1,192.72	12,091.26	422.05	13,283.98	1,948.03
Profit for the period before tax	1,453.84	2,446.27	2,433.55	3,900.11	(6,636.73)	5,167.38	(2,736.62)	7,809.57
Tax expense:								
Current tax - Current Year	5.53	7.26	5.08	12.79	11.57	11.19	24.36	11.24
- Earlier Years	-	-	-	-	-	-	-	-
Deferred tax	-	-	-	-	-	-	-	-
	5.53	7.26	5.08	12.79	11.57	11.19	24.36	11.24
Profit for the period after tax	1,448.31	2,439.01	2,428.47	3,887.32	(6,648.30)	5,156.19	(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	1,448.31	2,439.01	2,428.47	3,887.32	(6,648.30)	5,156.19	(2,760.98)	7,798.33
Earnings per Unit								
Basic (in Rupees)	1.59	2.68	2.67	4.27	(7.31)	5.67	(3.03)	9.56
Diluted (in Rupees)	1.59	2.68	2.67	4.27	(7.31)	5.67	(3.03)	9.56

The figures of the second half year are the balancing figures of the full financial year reduced by the figures of the first half year.

The figures of the fourth quarter are the balancing figures of the full financial year reduced by the published year-to-date figures up to 31 December 2022.



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Notes:

1. The above Audited Standalone Financial Result for year ended 31 March 2023 have been reviewed and approved by the Board of Directors of POWERGRID Unchahar Transmission Limited ('Investment Manager') at its meeting held on 25 May 2023.
2. The Audited Standalone Financial Result comprises of the Statement of Profit and Loss and notes thereon and additional disclosures as required in paragraph 6 of Annexure A to the SEBI Circular no. CIR/IMD/DF/127/2016 dated 29 November 2016 ("SEBI Circular") of POWERGRID Infrastructure Investment Trust ("PGInvIT"/"Trust"), for the quarter, half year and year ended 31 March 2023 being submitted by the Trust pursuant to the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 and the circulars issued thereunder ("InvIT Regulations").

The quarterly Standalone Financial Result for the quarter ended 31 March 2023 are the derived figures between the audited figures in respect of the year ended 31 March 2023 and the published year-to-date figures up to 31 December 2022, being the date of the end of nine months of the current financial year, which were subject to limited review.

The half yearly Standalone Financial Result for the half year ended 31 March 2023 are the derived figures between the audited figures in respect of the year ended 31 March 2023 and the published year-to-date figures up to 30 September 2022, being the date of the end of half year of the current financial year, which were subject to limited review.
3. POWERGRID Infrastructure Investment Trust (the "Trust") holds 100% equity stake in Vizag Transmission Limited ('VTL' formerly known as POWERGRID Vizag Transmission Limited) and 74% equity stake in POWERGRID Kala Amb Transmission Limited ('PKATL'), POWERGRID Parli Transmission Limited ('PPTL'), POWERGRID Warora Transmission Limited ('PWTL') and POWERGRID Jabalpur Transmission Limited ('PJTL') as on 31 March 2023.
4. Revenue from operations comprises of interest income on loans to subsidiaries and dividend from subsidiaries.
5. Trust has considered various internal and external information available up to the date of approval of Financial Statements and there has been no material impact of COVID-19 pandemic on the operations of the Subsidiaries for the year ended 31 March 2023. 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.
6. Pursuant to the Investment Management Agreement dated December 18, 2020, Investment Manager fees is aggregate of
 - a. ₹ 7,25,00,000 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.
7. Trust has not acquired any assets during the year ended 31 March 2023.
8. Based upon the valuation done by an external independent valuation expert, the carrying amount of the investment in subsidiaries were impaired for the year ended on 31 March 2023.
9. NAV (INR/Unit) per unit of the Trust, based on fair valuation report issued by the Independent Valuer, is ₹ 86.04 as on 31 March 2023.
10. The Trust is rated as "CRISIL AAA/Stable" from CRISIL, "[ICRA] AAA(Stable)" from ICRA and "CARE AAA; Stable" from CARE.



A handwritten signature in blue ink, appearing to be "S.K.", located to the left of the Powergrid stamp.

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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 PGINVT

₹ in million

Particulars	For the quarter ended on 31 March 2023	For the quarter ended on 31 December 2022	For the quarter ended on 31 March 2022	For the half year ended on 31 March 2023	For the half year ended on 30 September 2022	For the half year ended on 31 March 2022	For the year ended on 31 March 2023	For the year ended on 31 March 2022
Cash flows received from Portfolio Assets in the form of interest/accrued interest/ additional interest	1,881.21	1,864.47	1,786.32	3,745.68	3,799.59	3,611.34	7,545.27	6,408.37
Add: Cash flows received from Portfolio Assets in the form of dividend	647.31	669.90	1,034.30	1,317.21	1,627.88	1,951.90	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	495.00	280.00	-	775.00	410.00	-	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	12.94	17.00	11.89	29.94	27.06	26.19	57.00	26.30
Total cash inflow at the Trust level (A)	3,036.46	2,831.37	2,832.51	5,867.83	5,864.53	5,589.43	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	(140.09)	(140.46)	(24.65)	(280.55)	(247.10)	(46.72)	(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	(7.20)	(7.18)	-	(14.38)	(14.40)	-	(28.78)	-
Less: Net cash set aside to comply with DSRA under loan agreements, if any.	-	(12.90)	-	(12.90)	(109.78)	-	(122.68)	-
Less: Income tax (if applicable) at the standalone Trust level and payment of other statutory dues	(7.19)	(9.44)	(3.05)	(16.63)	(10.48)	(6.93)	(27.11)	(11.13)
Less: Proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulation	-	-	-	-	-	-	-	-
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	(0.89)	(0.11)	(2.06)	(1.00)	1.62	(2.54)	0.62	(2.65)
Total cash outflows / retention at Trust level (B)	(155.37)	(170.09)	(29.76)	(325.46)	(380.14)	(56.19)	(705.60)	(128.15)
Net Distributable Cash Flows (C) = (A+B)	2,881.09	2,661.28	2,802.75	5,542.37	5,484.39	5,533.24	11,026.76	9,629.45



AS

UB



Statements of Earning per Unit

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

Diluted EPU amounts are calculated by dividing the profit attributable to unit holders 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 quarter ended on 31 March 2023	For the quarter ended on 31 December 2022	For the quarter ended on 31 March 2022	For the half year ended on 31 March 2023	For the half year ended on 30 September 2022	For the half year ended on 31 March 2022	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)	1,448.31	2,439.01	2,428.47	3,887.32	(6,648.30)	5,156.19	(2,760.98)	7,798.33
Weighted average number of units in calculating basic and diluted EPU (No. in million)	910.00	910.00	910.00	910.00	910.00	910.00	910.00	815.90
Earnings Per Unit								
Basic (₹ /unit)								
Diluted (₹ /unit)	1.59	2.68	2.67	4.27	(7.31)	5.67	(3.03)	9.56
	1.59	2.68	2.67	4.27	(7.31)	5.67	(3.03)	9.56

Contingent Liabilities

There are no contingent Liabilities at Trust Level

Statement of Capital 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.

Related party disclosures of POWERGRID Infrastructure Investment Trust

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

(a) 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.

(b) 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

(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

(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 cease 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 LTD

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:

₹ in million

Particulars	As at 31 March 2023	As at 31 December 2022	As at 30 September 2022	As at 31 March 2022
Amounts Receivable				
Loans to subsidiaries				
Vizag Transmission Limited	7,839.88	7,839.88	7,839.88	7,839.88
POWERGRID Kala Amb Transmission Limited	1,860.00	1,860.00	1,860.00	1,860.00
POWERGRID Parli Transmission Limited	13,272.94	13,447.94	13,567.94	13,567.94
POWERGRID Warora Transmission Limited	15,987.07	16,172.07	16,172.07	16,172.07
POWERGRID Jabalpur Transmission Limited	12,237.95	12,372.95	12,532.95	12,942.95
Total	51,197.84	51,692.84	51,972.84	52,382.84

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

₹ in million

Particulars	For the quarter ended on 31 March 2023	For the quarter ended on 31 December 2022	For the quarter ended on 31 March 2022	For the half year ended on 31 March 2023	For the half year ended on 30 September 2022	For the half year ended on 31 March 2022	For the Year ended on 31 March 2023	For the Year ended on 31 March 2022
Income - Interest on loans to subsidiaries								
Vizag Transmission Limited	280.30	286.53	280.30	566.83	569.95	566.84	1,136.78	1,005.98
POWERGRID Kala Amb Transmission Limited	66.50	67.98	66.51	134.48	135.22	134.48	269.70	238.67
POWERGRID Parli Transmission Limited	480.74	495.83	465.20	976.57	986.37	940.50	1,962.94	1,668.96
POWERGRID Warora Transmission Limited	576.43	591.05	550.91	1,167.48	1,175.69	1,113.76	2,343.17	1,976.36
POWERGRID Jabalpur Transmission Limited	442.33	457.99	423.40	900.32	932.36	855.76	1,832.68	1,518.40
Total	1,846.30	1,899.38	1,786.32	3,745.68	3,799.59	3,611.34	7,545.27	6,408.37
Income - Dividend received from subsidiaries								
Vizag Transmission Limited	400.58	299.91	262.29	700.49	570.47	521.48	1,270.96	1,005.70
POWERGRID Kala Amb Transmission Limited	40.18	29.79	48.75	69.97	119.62	152.58	189.59	234.73
POWERGRID Parli Transmission Limited	90.58	131.10	188.30	221.67	338.46	419.50	560.14	803.25
POWERGRID Warora Transmission Limited	75.66	168.80	288.13	244.48	360.89	488.94	605.36	765.44
POWERGRID Jabalpur Transmission Limited	40.31	40.30	246.83	80.60	238.44	369.40	319.04	513.81
Total	647.31	669.90	1,034.30	1,317.21	1,627.88	1,951.90	2,945.09	3,322.93
Loans to Subsidiaries								
Vizag Transmission Limited	-	-	-	-	-	-	-	7,839.88
POWERGRID Kala Amb Transmission Limited	-	-	-	-	-	-	-	1,860.00
POWERGRID Parli Transmission Limited	-	-	562.94	-	-	562.94	-	13,567.94
POWERGRID Warora Transmission Limited	-	-	772.07	-	-	772.07	-	16,172.07
POWERGRID Jabalpur Transmission Limited	-	-	1,113.00	-	-	1,113.00	-	12,942.95
Total	-	-	2,448.01	-	-	2,448.01	-	52,382.84



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Particulars	For the quarter ended on 31 March 2023	For the quarter ended on 31 December 2022	For the quarter ended on 31 March 2022	For the half year ended on 31 March 2023	For the half year ended on 30 September 2022	For the half year ended on 31 March 2022	For the Year ended on 31 March 2023	For the Year ended on 31 March 2022
Repayment of Loan by Subsidiaries								
POWERGRID Parli Transmission Limited	175.00	120.00	-	295.00	-	-	295.00	-
POWERGRID Warora Transmission Limited	185.00	-	-	185.00	-	-	185.00	-
POWERGRID Jabalpur Transmission Limited	135.00	160.00	-	295.00	410.00	-	705.00	-
Total	495.00	280.00	-	775.00	410.00	-	1,185.00	-
Payment of Investment Manager fee (Including Taxes)								
POWERGRID Unchahar Transmission Limited (Investment Manager)	24.04	23.25	22.52	47.29	45.79	44.30	93.08	111.57
Payment of Trustee fee (Including Taxes)								
IDBI Trusteeship Services Limited (Trustee)	-	-	-	-	0.35	-	0.35	0.35
Purchase of Equity Shares of VTL								
Power Grid Corporation of India Limited	-	-	3,307.84	-	-	3,307.84	-	14,869.21
Purchase of Equity Shares of PKATL								
Power Grid Corporation of India Limited	-	-	-	-	-	-	-	2,022.92
Purchase of Equity Shares of PPTL								
Power Grid Corporation of India Limited	-	-	-	-	-	-	-	9,919.16
Purchase of Equity Shares of PWTL								
Power Grid Corporation of India Limited	-	-	-	-	-	-	-	10,327.52
Purchase of Equity Shares of PJTL								
Power Grid Corporation of India Limited	-	-	-	-	-	-	-	7,234.13
Issue of Unit Capital								
Power Grid Corporation of India Limited	-	-	-	-	-	-	-	41,065.09
Distribution Paid								
Power Grid Corporation of India Limited	409.50	409.50	409.50	819.00	819.00	1023.75	1,638.00	1,023.75

During the previous 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' formerly known as POWERGRID Vizag Transmission Limited)), from Power Grid Corporation of India Limited.

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


(CA Gaurav Mittal)
Partner
MRN: 099387



Place: New Delhi
Date: 25 May 2023

For and on behalf of the Board of Directors
POWERGRID UNCHAHAR TRANSMISSION LIMITED
(As Investment Manager of POWERGRID Infrastructure Investment Trust)

 Amit Garg
Chief Financial Officer

 Sanjay Sharma
Chief Executive Officer

 Abhay Choudhary
Chairman
DIN: 07388432



Place: Gurugram
Date: 25 May 2023

**Independent Auditors Report on the Quarterly, Half yearly and Year ended 31 March 2023
Standalone Financial Results of the Trust Pursuant to Regulation 23 of the SEBI
(Infrastructure Investment Trusts) Regulations, 2014, as amended**

To,
The Board of Directors
POWERGRID Unchahar Transmission Limited
(Investment Manager to POWERGRID Infrastructure Investment Trust)

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying Statement of Standalone Financial Results of POWERGRID Infrastructure Investment Trust (hereinafter referred to as "the Trust") consisting of the Standalone Statement of Profit and Loss including Other Comprehensive Income, explanatory notes thereto and the additional disclosures as required in paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 ("SEBI Circular") for the quarter, half year and year ended 31 March 2023 ("the Statement") , attached herewith, being submitted by the Trust pursuant to the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time read with SEBI Circular.

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. are presented in accordance with the requirements of Regulation 23 of SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended, read with SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016, in this regard; and
- ii. give a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of net profit and total comprehensive income and other financial information for the quarter, half year and year ended 31 March 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), issued by Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Results' 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 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 opinion.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. Management of POWERGRID Unchahar Transmission Limited ('the Investment Manager') is responsible for the preparation and presentation of the standalone financial results that gives a true and fair view of the net profit and total comprehensive income and other financial information of the Trust in accordance with the requirements of SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time ('the InvIT Regulations'); Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India, to the extent not inconsistent with InvIT regulations. This responsibility includes the design, implementation and maintenance of adequate internal financial controls for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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 the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatements, 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 the Statement

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 Statement, 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 control 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 the management.
- Conclude on the appropriateness of the management's use of 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 disclosures in the financial results 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 Trust to cease to continue as going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matter

The Statement includes the Standalone Financial Results for the quarter ended 31 March 2023 being the balancing figures between the audited figures in respect of the full financial year ended 31 March 2023 and the published unaudited year-to-date figures up to December 31, 2022, being the date of the end of the first nine months of the current financial year, which were subject to limited review as required under Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time read with SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016.

The Statement includes the Standalone Financial Results for the half year ended 31 March 2023 being the balancing figures between the audited figures in respect of the full financial year ended 31 March 2023 and the published unaudited year-to-date figures up to September 30, 2022, being the date of the end of the first half of the current financial year, which were



S. K. MITTAL & CO.
CHARTERED ACCOUNTANTS

MITTAL HOUSE, E-29, SOUTH EXTENSION PART - II
NEW DELHI - 110049

Tel: 26258517, 41640694 Fax: 26255204

Email : skmittalca@yahoo.co.in, skmittalco@yahoo.com

subject to limited review as required under Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time read with SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016.

For S.K.Mittal & Co.
Chartered Accountants
FRN: 001136N

(CA Gaurav Mittal)
Partner

Membership No.: 099387

UDIN: 23099387B&WDTJY2389



Place: New Delhi

Dated: 25 May 2023

POWERGRID Infrastructure Investment Trust
SEBI Registration Number: IN/InvIT/20-21/0016
Plot No. 2, Sector-29, Gurugram, Haryana - 122 001
Consolidated Statement of Profit and Loss for the quarter, half year and year ended 31 March 2023

Particulars	₹ in million							
	For the quarter ended on 31 March 2023	For the quarter ended on 31 December 2022	For the quarter ended on 31 March 2022	For the half year ended on 31 March 2023	For the half year ended on 30 September 2022	For the half year ended on 31 March 2022	For the Year ended on 31 March 2023	For the Year ended on 31 March 2022
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Audited)	(Audited)
INCOME								
Revenue From Operations	3,171.44	3,243.23	3,699.10	6,414.67	6,443.18	7,046.83	12,857.85	12,173.39
Other Income	57.16	67.44	87.83	124.60	170.46	161.92	295.06	260.74
Total Income	3,228.60	3,310.67	3,786.93	6,539.27	6,613.64	7,208.75	13,152.91	12,434.13
EXPENSES								
Valuation Expenses	-	0.19	0.12	0.19	-	0.12	0.19	0.12
Payment to Auditor								
-Statutory Audit Fees	0.50	-	0.43	0.50	-	0.43	0.50	0.43
-Other Services (Including Tax Audit & Certifications)	0.04	0.09	0.13	0.13	0.22	0.22	0.35	0.42
Insurance Expenses	68.15	64.60	53.43	132.75	108.67	106.70	241.42	185.11
Project Manager Fees	11.02	11.36	10.72	22.38	22.56	21.75	44.94	38.52
Investment Manager Fees	24.04	23.25	22.52	47.29	45.79	44.30	93.08	111.57
Trustee Fee	-	-	-	-	0.35	-	0.35	0.35
Repairs and Maintenance of Transmission Assets	72.89	76.17	74.44	149.06	150.99	148.83	300.05	272.55
Other Expenses	134.53	14.65	122.43	149.18	47.77	135.66	196.95	168.38
Employee Benefits Expense	2.88	3.03	1.72	5.91	5.49	2.86	11.40	3.15
Finance Costs	112.85	115.78	0.92	228.63	185.70	0.92	414.33	0.92
Depreciation and amortization expense	776.92	793.64	752.06	1,570.56	1,577.59	1,520.66	3,148.15	2,697.50
Impairment of Goodwill, Property Plant and Equipment and Intangible Assets	2,000.76	-	148.68	2,000.76	13,097.34	148.68	15,098.10	3,679.41
Total expenses	3,204.58	1,102.76	1,187.60	4,307.34	15,242.47	2,131.13	19,549.81	7,158.43
Profit for the period before tax	24.02	2,207.91	2,599.33	2,231.93	(8,628.83)	5,077.62	(6,396.90)	5,275.70
Tax expense:								
Current tax - Current Year	46.68	55.46	66.29	102.14	108.01	142.95	210.15	245.96
- Earlier Years								
Deferred tax	(453.12)	(15.76)	189.96	(468.88)	(1,674.07)	265.21	(2,142.95)	396.60
	(406.44)	39.70	256.25	(366.74)	(1,566.06)	408.16	(1,932.80)	642.56
Profit for the period after tax	430.46	2,168.21	2,343.08	2,598.67	(7,062.77)	4,669.46	(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	430.46	2,168.21	2,343.08	2,598.67	(7,062.77)	4,669.46	(4,464.10)	4,633.14
Net Profit Attributable to:								
Owners of the Trust	776.13	2,091.95	2,193.52	2,868.08	(4,819.46)	4,385.67	(1,951.38)	5,068.42
Non-Controlling Interest	(345.67)	76.26	149.56	(269.41)	(2,243.31)	283.79	(2,512.72)	(435.28)
Total Comprehensive Income attributable to:								
Owners of the Trust	776.13	2,091.95	2,193.52	2,868.08	(4,819.46)	4,385.67	(1,951.38)	5,068.42
Non-Controlling Interest	(345.67)	76.26	149.56	(269.41)	(2,243.31)	283.79	(2,512.72)	(435.28)
Earnings per Unit								
Basic (in Rupees)	0.85	2.30	2.41	3.15	(5.30)	4.82	(2.14)	6.21
Diluted (in Rupees)	0.85	2.30	2.41	3.15	(5.30)	4.82	(2.14)	6.21

The figures of the second half year are the balancing figures of the full financial year reduced by the figures of the first half year.

The figures of the fourth quarter are the balancing figures of the full financial year reduced by the published year-to-date figures up to 31 December 2022.



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Notes:

1. The above Audited Consolidated Financial Result for year ended 31 March 2023 have been reviewed and approved by the Board of Directors of POWERGRID Unchahar Transmission Limited ('Investment Manager') at its meeting held on 25 May 2023.
2. The Audited Consolidated Financial Result comprises of the Statement of Profit and Loss and notes thereon and additional disclosures as required in paragraph 6 of Annexure A to the SEBI Circular no. CIR/IMD/DF/127/2016 dated 29 November 2016 ("SEBI Circular") of POWERGRID Infrastructure Investment Trust ("PGInvIT"/"Trust"), for the quarter, half year and year ended 31 March 2023 being submitted by the Trust pursuant to the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 and the circulars issued thereunder ("InvIT Regulations").
The quarterly Consolidated Financial Result for the quarter ended 31 March 2023 are the derived figures between the audited figures in respect of the year ended 31 March 2023 and the published year-to-date figures up to 31 December 2022, being the date of the end of nine months of the current financial year, which were subject to limited review.
The half yearly Consolidated Financial Result for the half year ended 31 March 2023 are the derived figures between the audited figures in respect of the year ended 31 March 2023 and the published year-to-date figures up to 30 September 2022, being the date of the end of half year of the current financial year, which were subject to limited review.
3. POWERGRID Infrastructure Investment Trust (the "Trust") holds 100% equity stake in Vizag Transmission Limited ('VTL' formerly known as POWERGRID Vizag Transmission Limited) and 74% equity stake in POWERGRID Kala Amb Transmission Limited (PKATL), POWERGRID Parli Transmission Limited ('PPTL'), POWERGRID Warora Transmission Limited ('PWTL') and POWERGRID Jabalpur Transmission Limited ('PJTL') as on 31 March 2023.
4. Pursuant to the Project Implementation and Management Agreement dated 23 January 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.
5. Pursuant to the Investment Management Agreement dated 18 December 2020, Investment Manager fees is aggregate of
 - a. ₹ 7,25,00,000 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.
6. Based upon the valuation done by an external independent valuation expert, the carrying amount of the Groups' non-financial assets were impaired for the year ended on 31 March 2023.
7. Group has considered various internal and external information available up to the date of approval of Financial Statements and there has been no material impact of COVID-19 pandemic on the operations of the Subsidiaries for the year ended 31 March 2023. 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.
8. NAV (INR/Unit) per unit of the Trust, based on fair valuation report issued by the Independent Valuer, is ₹ 86.04 as on 31 March 2023.
9. The Trust is rated as "CRISIL AAA/Stable" from CRISIL, "[ICRA] AAA(Stable)" from ICRA and "CARE AAA; Stable" from CARE.



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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 PGINVT

₹ in million

Particulars	For the quarter ended on 31 March 2023	For the quarter ended on 31 December 2022	For the quarter ended on 31 March 2022	For the half year ended on 31 March 2023	For the half year ended on 30 September 2022	For the half year ended on 31 March 2022	For the year ended on 31 March 2023	For the year ended on 31 March 2022
Cash flows received from Portfolio Assets in the form of interest/accrued interest/ additional interest	1,881.21	1,864.47	1,786.32	3,745.68	3,799.59	3,611.34	7,545.27	6,408.37
Add: Cash flows received from Portfolio Assets in the form of dividend	647.31	669.90	1,034.30	1,317.21	1,627.88	1,951.90	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	495.00	280.00	-	775.00	410.00	-	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	12.94	17.00	11.89	29.94	27.06	26.19	57.00	26.30
Total cash inflow at the Trust level (A)	3,036.46	2,831.37	2,832.51	5,867.83	5,864.53	5,589.43	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	(140.09)	(140.46)	(24.65)	(280.55)	(247.10)	(46.72)	(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	(7.20)	(7.18)	-	(14.38)	(14.40)	-	(28.78)	-
Less: Net cash set aside to comply with DSRA under loan agreements, if any.	-	(12.90)	-	(12.90)	(109.78)	-	(122.68)	-
Less: Income tax (if applicable) at the standalone Trust level and payment of other statutory dues	(7.19)	(9.44)	(3.05)	(16.63)	(10.48)	(6.93)	(27.11)	(11.13)
Less: Proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the Invt Regulation	-	-	-	-	-	-	-	-
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	(0.89)	(0.11)	(2.06)	(1.00)	1.62	(2.54)	0.62	(2.65)
Total cash outflows / retention at Trust level (B)	(155.37)	(170.09)	(29.76)	(325.46)	(380.14)	(56.19)	(705.60)	(128.15)
Net Distributable Cash Flows (C) = (A+B)	2,881.09	2,661.28	2,802.75	5,542.37	5,484.39	5,533.24	11,026.76	9,629.45



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B) Statement of Net Distributable Cash Flows (NDCFs) of VTL

₹ in million

Particulars	For the quarter ended on 31 March 2023	For the quarter ended on 31 December 2022	For the quarter ended on 31 March 2022	For the half year ended on 31 March 2023	For the half year ended on 30 September 2022	For the half year ended on 31 March 2022	For the year ended on 31 March 2023	For the year ended on 31 March 2022
Profit after tax as per profit and loss account (standalone) (A)	162.51	200.69	297.04	363.20	401.29	542.77	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.	78.17	79.91	78.18	158.08	158.95	137.31	317.03	227.94
Add: Interest on loans availed from Trust as per profit and loss account	280.30	286.53	280.30	566.83	569.95	566.84	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	101.23	(55.78)	49.66	45.45	(24.09)	11.49	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.	(13.05)	(14.36)	(30.87)	(27.41)	(29.00)	(55.28)	(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*	(7.32)	(0.66)	(99.40)	(7.98)	9.07	(100.60)	1.09	(100.60)
Total Adjustments (B)	439.33	295.64	277.87	734.97	684.88	559.76	1,419.85	1,071.27
Net Distributable Cash Flows (C)=(A+B)	601.84	496.33	574.91	1,098.17	1,086.17	1,102.53	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.



C) Statement of Net Distributable Cash Flows (NDCFs) of PKATL

₹ in million

Particulars	For the quarter ended on 31 March 2023	For the quarter ended on 31 December 2022	For the quarter ended on 31 March 2022	For the half year ended on 31 March 2023	For the half year ended on 30 September 2022	For the half year ended on 31 March 2022	For the year ended on 31 March 2023	For the year ended on 31 March 2022
Profit after tax as per profit and loss account (standalone) (A)	32.52	36.47	34.64	68.99	73.73	78.89	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.	16.03	16.15	15.38	32.18	31.38	31.08	63.56	54.80
Add: Interest on loans availed from Trust as per profit and loss account	66.50	67.98	66.51	134.48	135.22	134.48	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	62.49	(9.09)	(27.94)	53.40	55.51	(49.93)	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	(61.71)	0.03	(3.71)	(61.68)	(33.74)	(6.87)	(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.	5.77	5.85	9.70	11.62	11.63	19.28	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*	(7.40)	(22.20)	-	(29.60)	-	-	(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**	(1.03)	9.54	(3.20)	8.51	(3.12)	46.24	5.39	41.68
Total Adjustments (B)	80.65	68.26	56.74	148.91	196.88	174.28	345.79	290.16
Net Distributable Cash Flows (C)=(A+B)	113.17	104.73	91.38	217.90	270.61	253.17	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.



SK

CB



D) Statement of Net Distributable Cash Flows (NDCFs) of PPTL

₹ in million

Particulars	For the quarter ended on 31 March 2023	For the quarter ended on 31 December 2022	For the quarter ended on 31 March 2022	For the half year ended on 31 March 2023	For the half year ended on 30 September 2022	For the half year ended on 31 March 2022	For the year ended on 31 March 2023	For the year ended on 31 March 2022
Profit after tax as per profit and loss account (standalone) (A)	86.14	109.51	99.38	195.65	207.99	222.32	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.	91.39	93.42	86.66	184.81	185.81	175.21	370.62	310.88
Add: Interest on loans availed from Trust as per profit and loss account	480.74	495.83	465.20	976.57	986.37	940.50	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	110.67	(27.07)	8.73	83.60	(168.19)	11.82	(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	(0.05)	(5.38)	(598.44)	(5.43)	(0.01)	(599.59)	(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.	35.42	33.10	46.09	68.52	74.12	90.08	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	-	-	81.40	-	-	81.40	-	-
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	-	-	416.58	-	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*	(16.17)	(11.10)	30.16	(27.27)	(19.02)	17.28	(46.29)	(2.47)
Total Adjustments (B)	702.00	578.80	536.38	1,280.80	1,059.08	1,133.28	2,339.88	2,184.08
Net Distributable Cash Flows (C)=(A+B)	788.14	688.31	635.76	1,476.45	1,267.07	1,355.60	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.



GA

AS



E) Statement of Net Distributable Cash Flows (NDCFs) of PWTL

₹ in million

Particulars	For the quarter ended on	For the quarter ended on	For the quarter ended on	For the half year ended on	For the half year ended on	For the half year ended on	For the year ended on	For the year ended on
	31 March 2023	31 December 2022	on 31 March 2022	ended on 31 March 2023	ended on 30 September 2022	ended on 31 March 2022	31 March 2023	on 31 March 2022
Profit after tax as per profit and loss account (standalone) (A)	66.14	92.00	89.40	158.14	207.04	204.00	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.	111.62	113.90	104.87	225.52	226.57	212.11	452.09	375.99
Add: Interest on loans availed from Trust as per profit and loss account	576.42	591.06	550.91	1,167.48	1,175.69	1,113.75	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	81.15	(41.15)	(7.31)	40.00	(222.33)	252.96	(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	(4.07)	(6.66)	(838.38)	(10.73)	(16.42)	(844.39)	(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.	31.58	31.75	44.70	63.33	66.37	86.92	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	-	-	296.00	-	-	81.40	-	-
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	-	-	571.33	-	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*	(17.17)	(13.25)	42.40	(30.42)	(1.51)	22.86	(31.93)	(2.11)
Total Adjustments (B)	779.53	675.65	764.52	1,455.18	1,228.37	1,496.94	2,683.55	2,513.51
Net Distributable Cash Flows (C)=(A+B)	845.67	767.65	853.92	1,613.32	1,435.41	1,700.94	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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F) Statement of Net Distributable Cash Flows (NDCFs) of PJTL

₹ in million

Particulars	For the quarter ended on 31 March 2023	For the quarter ended on 31 December 2022	For the quarter ended on 31 March 2022	For the half year ended on 31 March 2023	For the half year ended on 30 September 2022	For the half year ended on 31 March 2022	For the year ended on 31 March 2023	For the year ended on 31 March 2022
Profit after tax as per profit and loss account (standalone) (A)	33.54	46.14	273.14	79.68	78.28	312.34	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.	79.74	81.52	73.42	161.26	162.15	148.43	323.41	263.37
Add: Interest on loans availed from Trust as per profit and loss account	442.32	457.99	423.40	900.31	932.37	855.76	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	68.13	(21.21)	(274.80)	46.92	156.74	(298.97)	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	-	0.01	(823.44)	0.01	(0.01)	(823.44)	-	(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.	12.77	14.15	100.57	26.92	30.78	123.35	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	-	-	74.00	-	-	74.00	-	-
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	-	-	823.61	-	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*	(11.61)	(8.81)	(0.93)	(20.42)	(22.09)	(1.04)	(42.51)	87.22
Total Adjustments (B)	591.35	523.65	395.83	1,115.00	1,259.94	901.70	2,374.94	1,695.75
Net Distributable Cash Flows (C)=(A+B)	624.89	569.79	668.97	1,194.68	1,338.22	1,214.04	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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Statements of Earning per Unit (EPU)

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

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 quarter ended on 31 March 2023	For the quarter ended on 31 December 2022	For the quarter ended on 31 March 2022	For the half year ended on 31 March 2023	For the half year ended on 30 September 2022	For the half year ended on 31 March 2022	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)	776.13	2,091.95	2,193.52	2,868.08	(4,819.46)	4,385.67	(1,951.38)	5,068.42
Weighted average number of units in calculating basic and diluted EPU (No. in million)	910.00	910.00	910.00	910.00	910.00	910.00	910.00	815.90
Earnings Per Unit								
Basic (₹ /unit)	0.85	2.30	2.41	3.15	(5.30)	4.82	(2.14)	6.21
Diluted (₹ /unit)	0.85	2.30	2.41	3.15	(5.30)	4.82	(2.14)	6.21

Contingent Liabilities

- a) 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 upon the Company 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 company filed writ petition with Hon'ble High Court of the state of Telangana on 17 August 2020 and Hon'ble High Court grant stay for all further proceedings against the ADC order dated 17 June 2020. The Company is confident that this matter will be disposed off in favour of the Company.
 - 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.
 - 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.
 - 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 Rs. 335.01 million in Compensatory Afforestation Management and Planning Authority (CAMPA) Fund. The Order was against the Company and Department raised demand to pay the due Service Tax of Rs. 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 Rs. 50.25 million and Rs. 0.01 million u/s 78 and 77 of the Act respectively.
 - 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.

Statement of Capital Commitments

Particulars	₹ In million			
	As at 31 March 2023	As at 31 December 2022	As at 30 September 2022	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	280.51	361.37	372.31	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.

Related party disclosures of POWERGRID Infrastructure Investment Trust

(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



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(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 (a) 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

(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 cease 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 LTD

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)

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

₹ in million

Particulars	As at 31 March 2023	As at 31 December 2022	As at 30 September 2022	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	6.42	5.06	6.33
Other Payable – Construction consultancy charges	0.89	3.03	2.56	-
Total	11.66	9.45	7.62	6.33
Amount Receivable				
Power Grid Corporation of India Limited (Sponsor and Project Manager)				
CAMPA Appeal Filing with CESTAT Fees paid by the Company but to be indemnified by Power Grid Corporation of India Limited as per the Share Purchase Agreement entered with it	0.01	-	-	-
Legal Expenses recoverable	-	1.06	-	-
Total	0.01	1.06	-	-



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

₹ in million

Particulars	For the quarter ended on 31 March 2023	For the quarter ended on 31 December 2022	For the quarter ended on 31 March 2022	For the half year ended on 31 March 2023	For the half year ended on 30 September 2022	For the half year ended on 31 March 2022	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	-	-	3,307.84	-	-	3,307.84	-	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 Units	-	-	-	-	-	-	-	41,065.09
Repayment of Loan during the period	-	-	-	-	-	-	-	49,934.83
Acquisition of additional revenue on account of claims under change in Law	-	-	3,041.50	-	-	3,041.50	-	3,041.50
Payment of Operation & Maintenance Charges (Including Taxes)	73.43	75.64	78.02	149.07	150.47	154.02	299.54	272.55
Payment of Project Implementation & Management Charges (Including Taxes)	11.02	11.36	10.86	22.38	22.56	22.12	44.94	38.52
Distribution paid	409.50	409.50	409.5	819.00	819.00	1,023.75	1,638.00	1,023.75
Dividend paid	86.69	130.00	363.40	216.69	371.51	685.80	588.20	1,167.52
Construction Consultancy fees	0.70	0.85	2.08	1.55	0.76	2.08	2.31	2.95
Reimbursement of BG extension charges (Including taxes)	-	-	-	-	-	-	-	0.05
Legal Expenses recoverable	-	1.06	-	1.06	-	-	1.06	-
POWERGRID Unchahar Transmission Limited (Investment Manager)								
Payment of Investment Manager fee (Including Taxes)	24.04	23.25	22.52	47.29	45.79	44.30	93.08	111.57
IDBI Trusteeship Services Limited (Trustee)								
Payment of Trustee fee (Including Taxes)	-	-	-	-	0.35	-	0.35	0.35

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

(CA Gaurav Mittal)
Partner
MRN: 099387
Place: New Delhi

Date: 25 May 2023



For and on behalf of the Board of Directors
POWERGRID UNCHAHAR TRANSMISSION LIMITED
(As an Investment Manager of POWERGRID Infrastructure Investment Trust)

Amit Garg
Chief Financial Officer

Sanjay Sharma
Chief Executive Officer

Abhay Choudhary
Chairman
DIN: 07388432

Place: Gurugram
Date: 25 May 2023



Independent Auditors Report on the Quarterly, Half yearly and Year ended 31 March 2023 Consolidated Financial Results of the Trust Pursuant to Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended

To,
The Board of Directors
POWERGRID Unchahar Transmission Limited
(Investment Manager to POWERGRID Infrastructure Investment Trust)

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying Statement of consolidated financial results of POWERGRID Infrastructure Investment Trust (hereinafter referred to as "the Trust") comprising its subsidiaries (the Trust and its subsidiaries together referred to as "the Group") consisting of the Consolidated Statement of Profit and Loss including Other Comprehensive Income, explanatory notes thereto and the additional disclosures as required in paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 ("SEBI Circular") for the quarter, half year and year ended 31 March 2023 ("the Statement") , attached herewith, being submitted by the Trust pursuant to the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time read with SEBI Circular.

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

a. includes the results of the following entities:

- i. POWERGRID Infrastructure Investment Trust (Trust)
- ii. Vizag Transmission Limited (Wholly owned Subsidiary)
- iii. POWERGRID Kala Amb Transmission Limited (Subsidiary)
- iv. POWERGRID Parli Transmission Limited (Subsidiary)
- v. POWERGRID Warora Transmission Limited (Subsidiary)
- vi. POWERGRID Jabalpur Transmission Limited (Subsidiary)

b. is presented in accordance with the requirements of Regulation 23 of SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended, read with SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016, in this regard; and

c. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit and total



comprehensive income and other financial information of the Group for the quarter, half year and the year ended 31 March 2023.

Basis for Opinion

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

Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. Management of the Investment Manager ("the Management") is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit and total comprehensive income and other financial information of the Group in accordance with the requirements of the InvIT regulations; Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with InvIT Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records, for safeguarding of the assets of the Group 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; and the design, implementation and maintenance of adequate controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement 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 Statement by the Management, as aforesaid.

In preparing the Statement, the management and 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 the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



The Management and 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 Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatements, 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 the Statement

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 Statement, 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 control 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 the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of 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 Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date to of our auditor's report. However, future events or conditions may cause group to cease to continue as going concern.



- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement 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 to express an opinion on the consolidated financial statements. 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.

We communicate with those charged with governance of the InvIT and such other entities included in the Statement 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.

Other Matter

1. We have audited the financial statements and other financial information of 2 out of 5 subsidiaries of PGINvit 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 the total revenue from operations (before eliminating intra-group transactions) of Rs. 3,171.44 Million, Rs. 6,414.67 Million and Rs. 12,857.85 Million for the quarter ended 31 March 2023, half year ended 31 March 2023 and for the year ended 31 March 2023, respectively. The financial statements and other financial information for PPTL, PWTL and PJTL have been audited by the other auditors and whose reports have been furnished to us by the management and our opinion on the consolidated financial results in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our reports 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 results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

2. The Statement includes the consolidated financial results for the quarter ended 31 March 2023 being the balancing figures between the audited figures in respect of the full financial year



ended 31 March 2023 and the published unaudited year-to-date figures up to 31 December 2022, being the date of the end of the first nine months of the current financial year, which were subject to limited review as required under Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time read with SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016.

3. The Statement includes the consolidated financial results for the half year ended 31 March 2023 being the balancing figures between the audited figures in respect of the full financial year ended 31 March 2023 and the published unaudited year-to-date figures up to September 30, 2022, being the date of the end of the first half of the current financial year, which were subject to limited review as required under Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time read with SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016.

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



(CA Gaurav Mittal)
Partner

Membership No.: 099387

UDIN: 23079387 BGV DKA 4560



Place: New Delhi
Dated: 25 May 2023

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.

**Head Office**

503, Chiranjiv Tower, 43, Nehru Place,
New Delhi 110019, India
Tel: +91-11-2622-3712, 6933

Corporate Office

GLOBAL BUSINESS SQUARE, Building No. 32,
Sector 44, Institutional Area Gurugram - 122003
Tel: +91-124-4786200

Chandigarh:

SCO-705, 1st Floor, NAC Manimajra
Chandigarh-160101, India
Tel: +91-172-5077-789, 5077-790

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 Transmission 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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B. Transmission Assets Overview

Vizag Transmission Limited formerly: POWERGRID Vizag Transmission Limited	<p>Inc. Date: November 30, 2011 COD: February 01, 2017</p> <ul style="list-style-type: none">Established to setup transmission system for system strengthening in the southern region of India for import of power from the eastern region of India.Transmission lines length: 956.84 ckm<ul style="list-style-type: none">> 765 kV D/C line of 668 ckm from Srikakulam to Vemagiri in Andhra Pradesh.> 400 kV D/C line of 288.84 ckm from Khammam (Telangana) to Nagarjuna Sagar (Andhra Pradesh)PGInvIT acquired the remaining 26% equity shareholding in VTL on 31st March 2022. The Trust now holds 100% stake in VTL
POWERGRID Kala Amb Transmission Limited	<p>Inc. Date: July 29, 2013 COD: July 12, 2017</p> <ul style="list-style-type: none">Established to setup Transmission system for Northern Region System Strengthening Scheme NRSS- XXXI (Part A)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)In addition, the project includes one 400/220 kV substation of an aggregate transformation 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)PKATL has been allotted a project 'Implementation of One no. 125 MVA, 420 kV Bus Reactor at Kala Amb substation' by Ministry of Power, GoI under Regulated Tariff Mechanism. The project was notified on March 5, 2019. PKATL was granted a separate transmission licence for the project by Hon'ble CERC vide its order dated March 22, 2022.
POWERGRID Parli Transmission Limited	<p>Inc. Date: July 30, 2014 COD: June 4, 2018</p> <ul style="list-style-type: none">Established to setup Transmission system associated with Gadarwara STPS (2x800 MW) of NTPC (Part-B)Transmission lines length: 966.12 ckm<ul style="list-style-type: none">> 765 kV D/C line of 693.70 ckm from Warora to Parli in Maharashtra> 765 kV D/C line of 235.92 ckm from Parli to Solapur in Maharashtra> 400 kV D/C line of 36.50 ckm from Parli (New) to Parli (PG) in MaharashtraIn addition, the project includes one 765/400 kV substation of an aggregate transformation capacity of 3,000 MVA at Parli (Maharashtra)



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%.

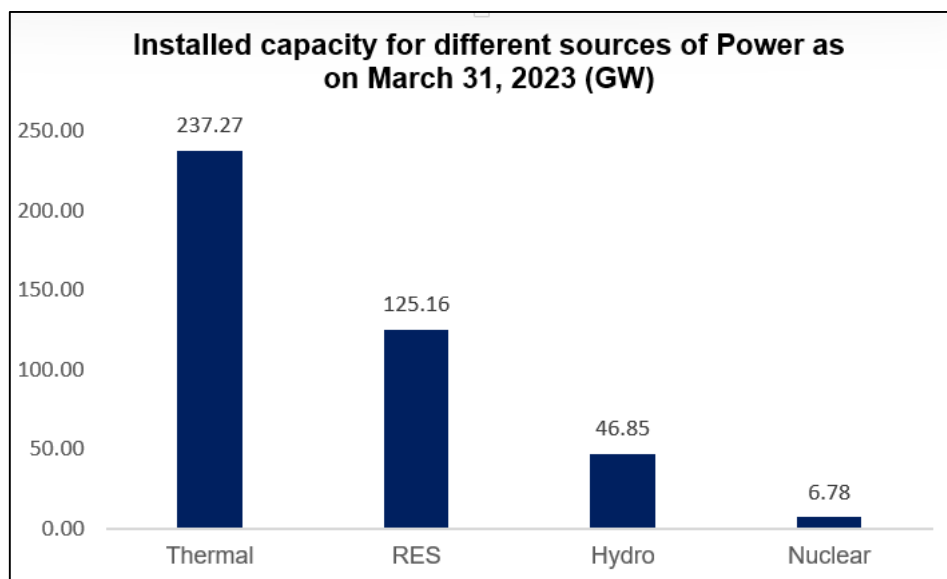
5.2 Industry Overview

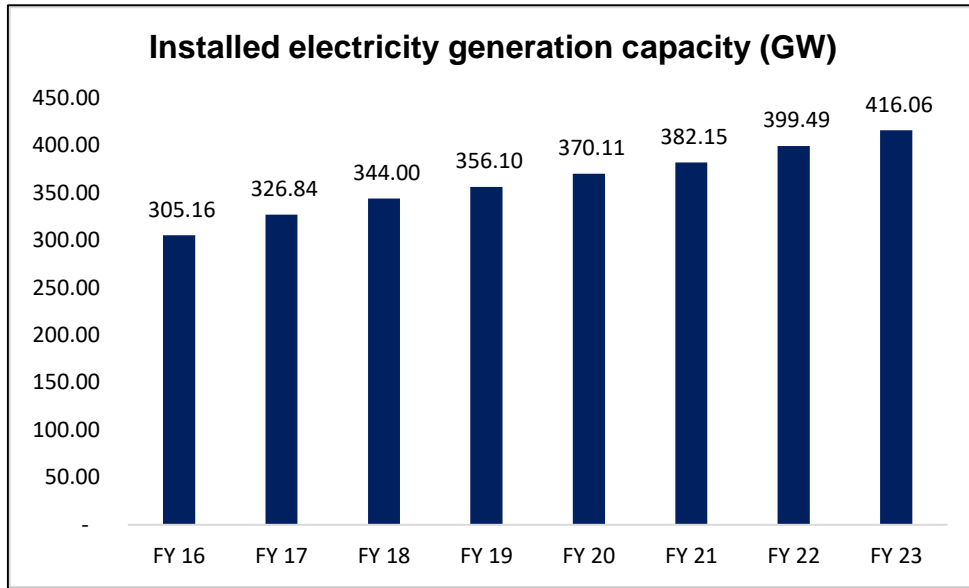
The assets/ or SPVs being subjected to valuation belongs to Transmission Sector in Power Industry in India

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.

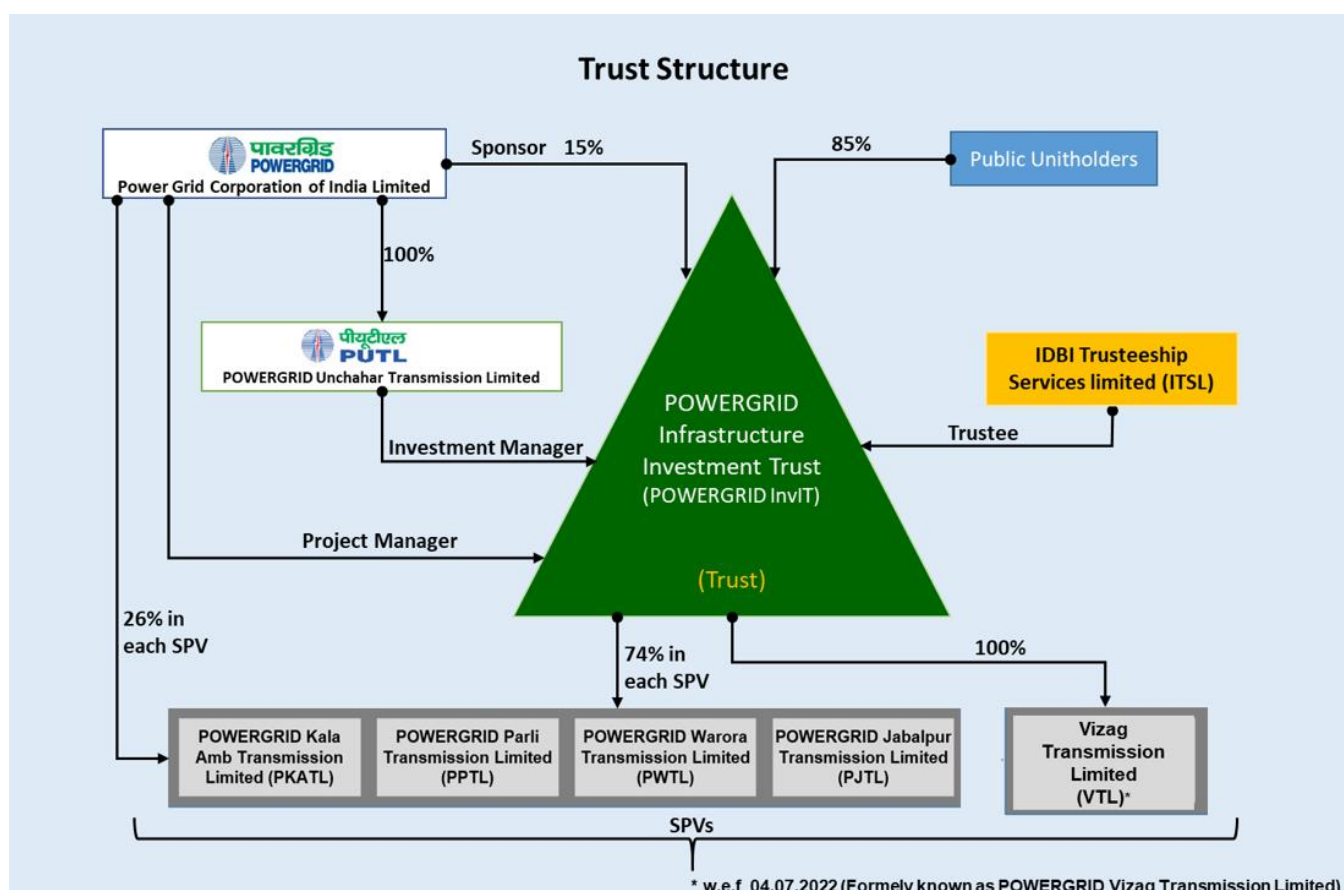


PGInvIT came out with an initial public offering of its units which opened on April 29th, 2021 and closed on May 3rd, 2021. The units were listed on NSE and BSE on May 14th, 2021 at a price of ₹104 per unit (i.e. at a premium of 4% on the issue price of ₹100 per unit.)

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

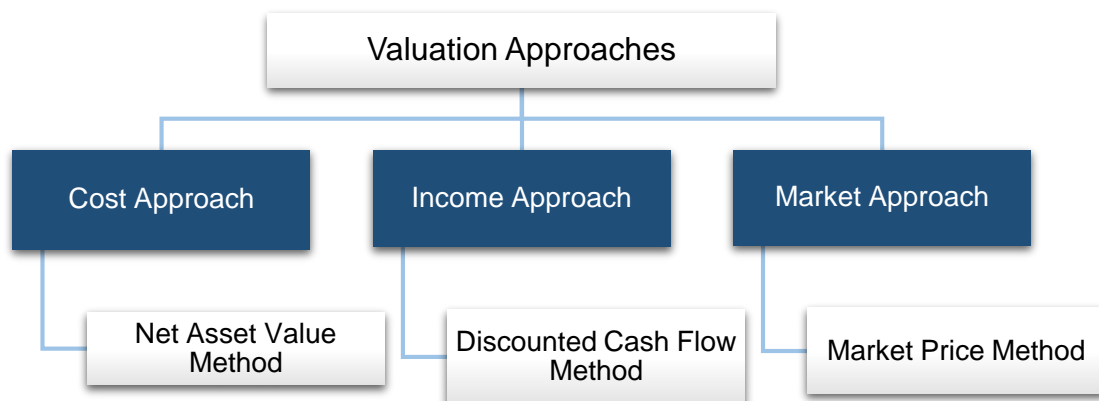
The Portfolio Assets comprise five power transmission projects located across five states of India. The projects comprise 11 transmission lines, including six 765 kV transmission lines and five 400 kV transmission lines, with a total circuit length of approximately 3,698.59 ckm, and three substations 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.



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.

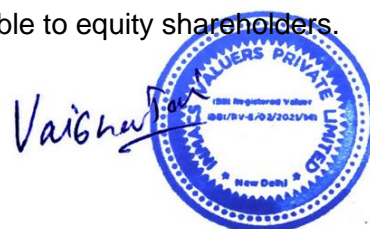
The market price of an asset as quoted in an active market is normally considered as the fair value of said asset where such quotations are arising from the asset being regularly and freely traded in, subject to the element of speculative support that maybe inbuilt in the value of the asset.

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.

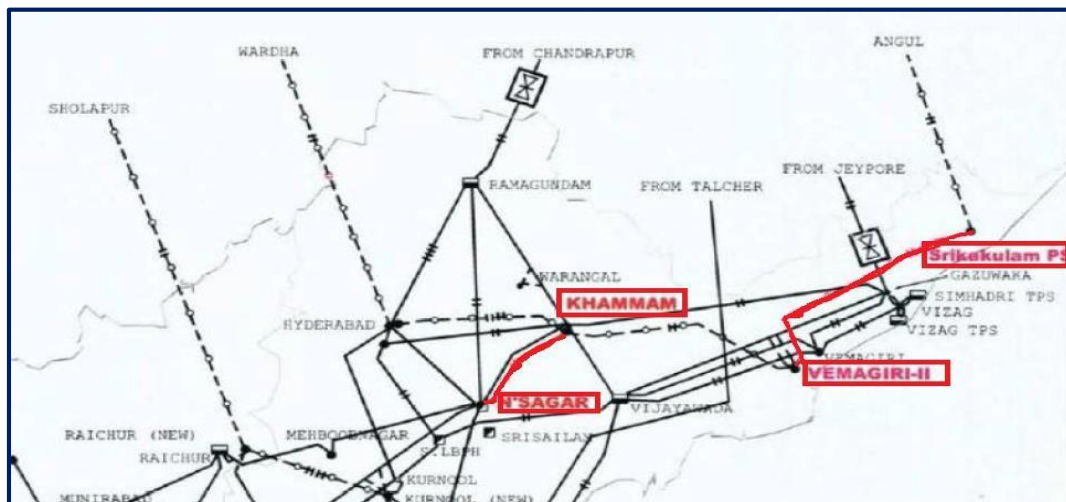
As of March 31st 2023, the Gross Block of Property, Plant and Equipment (including Intangibles) was ₹13,097.66 Mn.

All the elements have been successfully charged and Date of Commercial Operations (DOCO) declared as per details below:

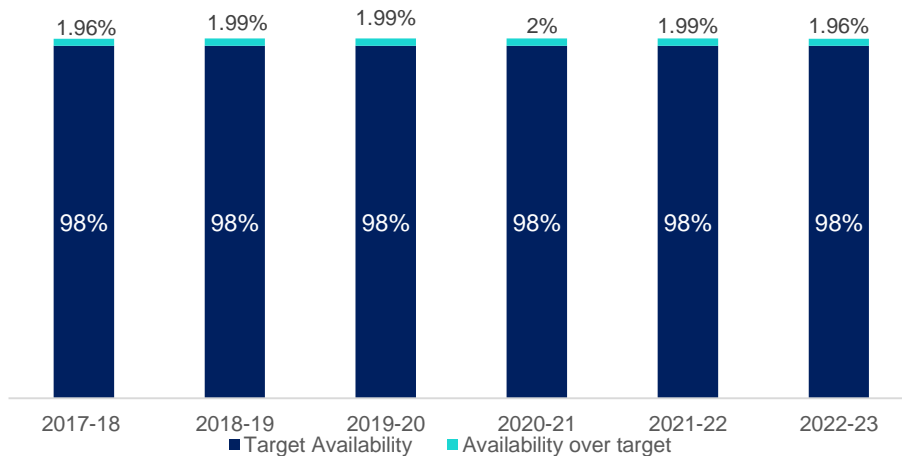
Transmission Line/ Substations	Location	Line length/ Capacity	Specifications	COD	Contribution to total transmission charges
Khammam (Existing) – Nagarjuna Sagar	Andhra Pradesh and Telangana	288.84	400 kV D/C	03-Jan-16	15.25%
Srikakulam PP –Vemagiri-II Pooling Station	Andhra Pradesh	668	765 kV D/C	01-Feb-17	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.



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> <i>Expenses in ₹ millions</i></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 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.

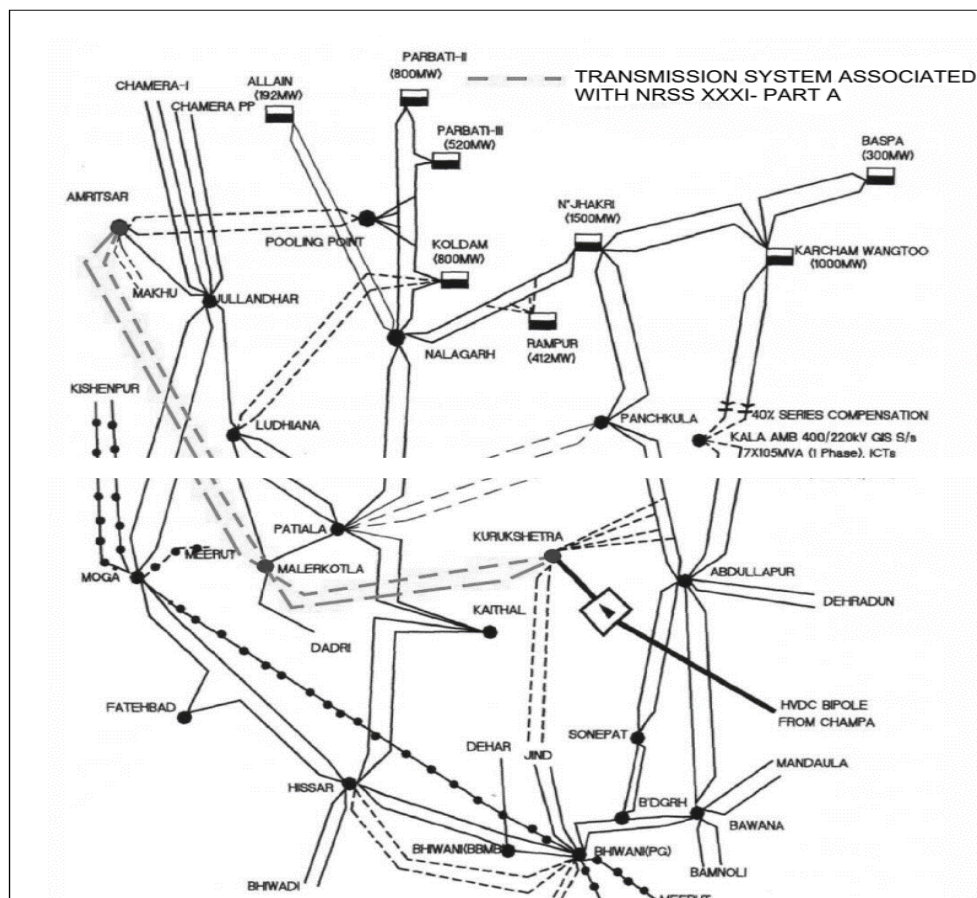


All the elements have been successfully charged and Date of Commercial Operations (DOCO) declared as per details below:

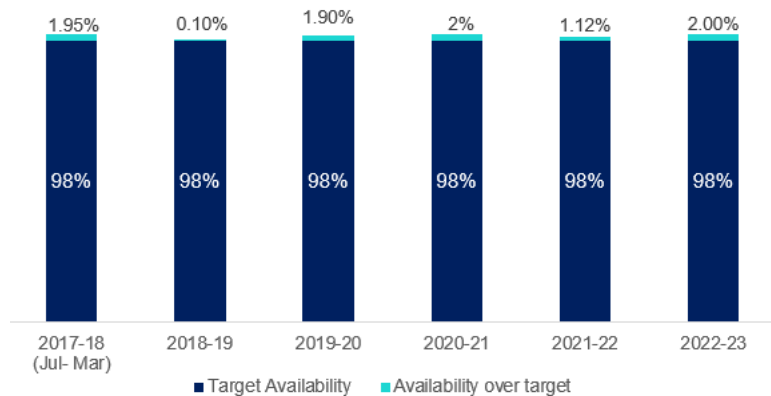
Transmission Line/ Substations	Location	Line length/ Capacity	Specifications	COD	Contribution to total transmission charges
LILO of both circuits of Karcham Wangtoo – Abdullapur transmission line at Kala Amb substation (on M/C towers)	Himachal Pradesh	2.47 ckm	400 kV D/C	12-Jul-17	84.50%
400/220 kV GIS 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



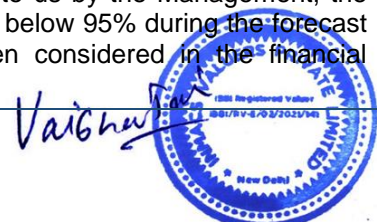
Source: Management Input

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>



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.



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	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	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%	2,045.02	3,798.98
	8.00%	2,392.66	4,146.62
	8.50%	2,211.84	3,965.80
	9.00%	2,047.22	3,801.18
	9.50%	1,896.64	3,650.60
	10.00%	1,758.33	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><i>Source: Management input</i> <i>Expenses in ₹ millions</i></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%
PGInvT 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.

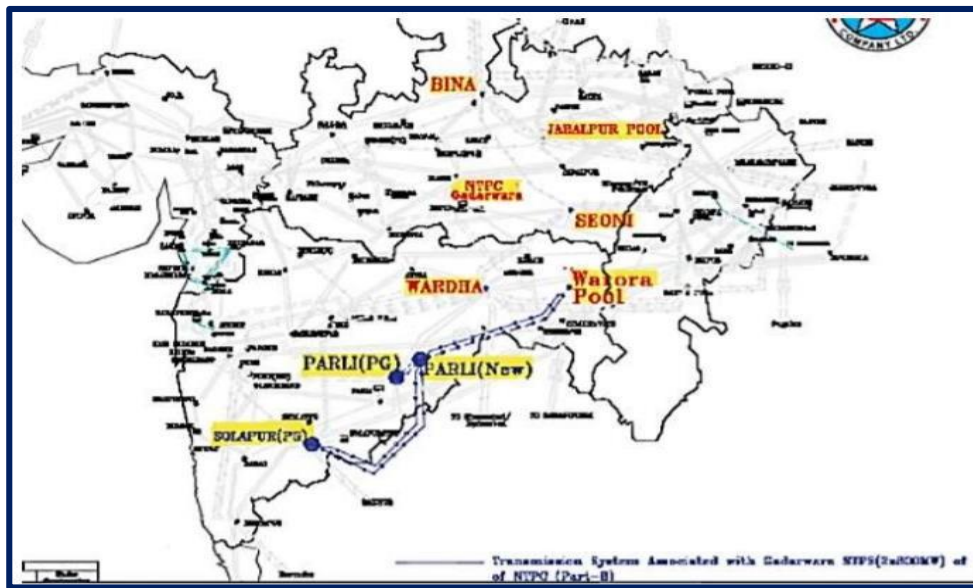


All the elements have been successfully charged and Date of Commercial Operation (DOCO) declared as per details below:

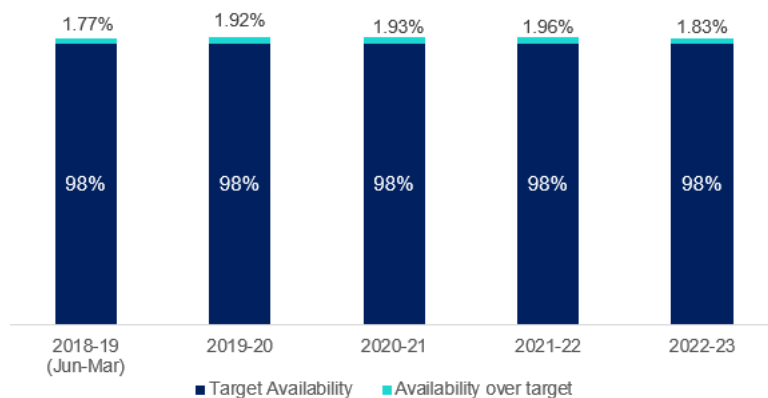
Transmission Line/ Substations	Location	Line length/ Capacity	Specifications	COD	Contribution to total transmission charges
Parli (New) – Solapur	Maharashtra	235.92 ckm	765 kV D/C	27-Apr-18	
Parli (New) – Parli (PG)	Maharashtra	36.50 ckm	400 kV D/C	27-Apr-18	43.00%
Establishment of 2x1500 MVA, Parli (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:

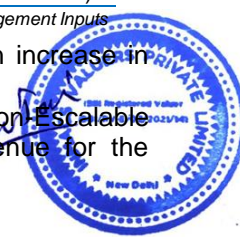
Transmission Revenue

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	<p>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:</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 PPTL at or above 99.75% during the forecast period.</p>
Penalty	<p>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.</p>
Operations & Maintenance (“O&M”) Expenses	<p>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.</p>
Project Management (“PM”) Expenses	<p>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.</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>
Power charges	<p>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.</p>
Security charges	<p>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.</p>
Insurance Expenses	<p>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.</p>
Key Managerial Personnel Expenses	<p>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.</p>



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.

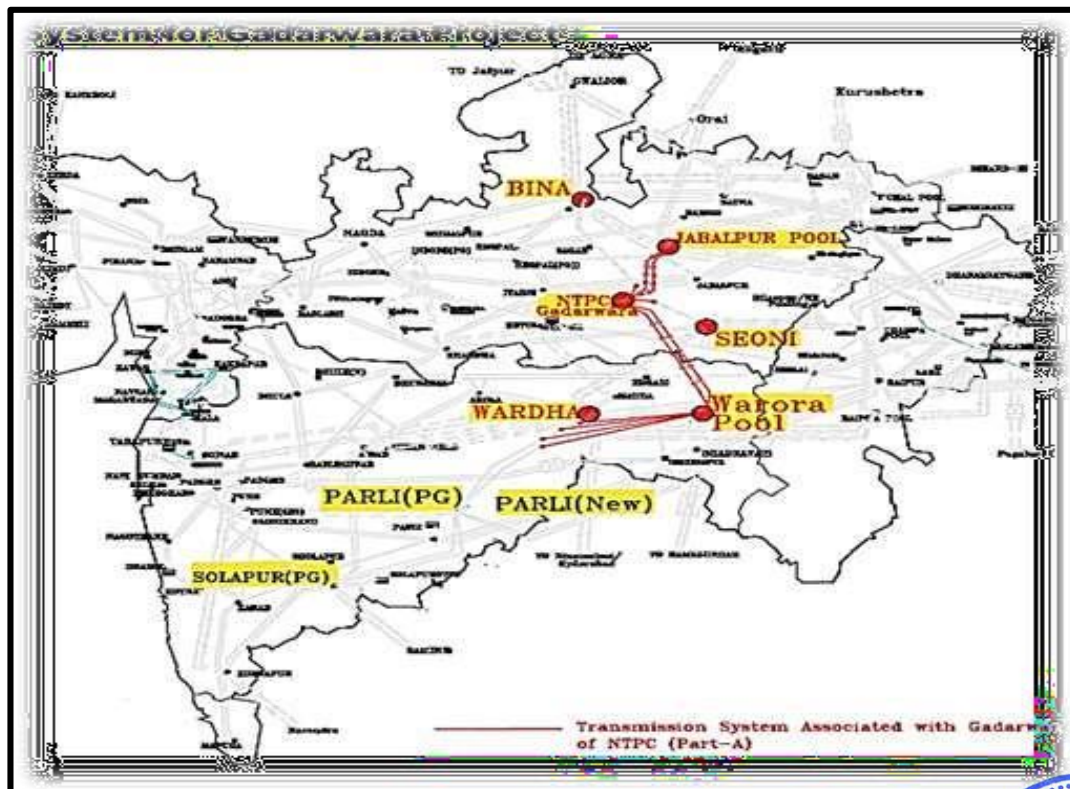


All the elements have been successfully charged and Date of Commercial Operation (DOC) declared as per details below:

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 NTPC Part-A



Vaighave

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
Transmission Revenue	<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"> a. <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. b. <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.. <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 PGInvIT), PUTL (in its capacity as Investment Manager to PGInvIT) 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

Incentive

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 = 0.02 X Annual Transmission Charges X (Actual Annual Availability – Target Availability)

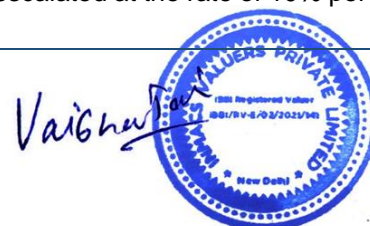
No incentive shall be payable above the availability of 99.75%. Management expects the annual availability for PWTL at or above 99.75% during the forecast period.

Penalty

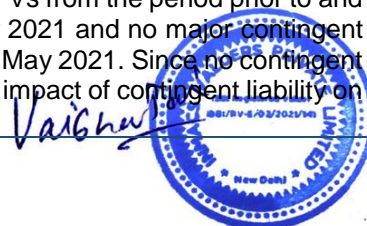
If the availability in any contract year falls below 95%, PWTL shall be penalised as per the TSA. As represented to us by the Management, the availability in any contract year shall not fall below 95% during the forecast period and thus the penalty has not been considered in the financial projections.



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.



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

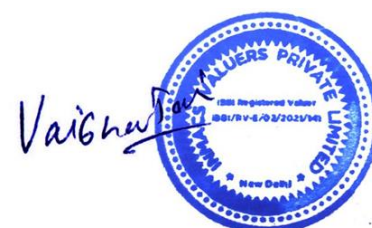
POWERGRID Warora Transmission Limited

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%										
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

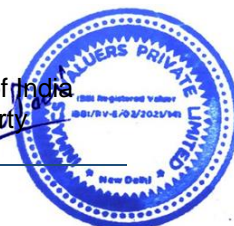
The Schedule V of the SEBI InvIT Regulations prescribes the minimum set of mandatory disclosures to be made in the valuation report.

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 Vindhyachal 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.

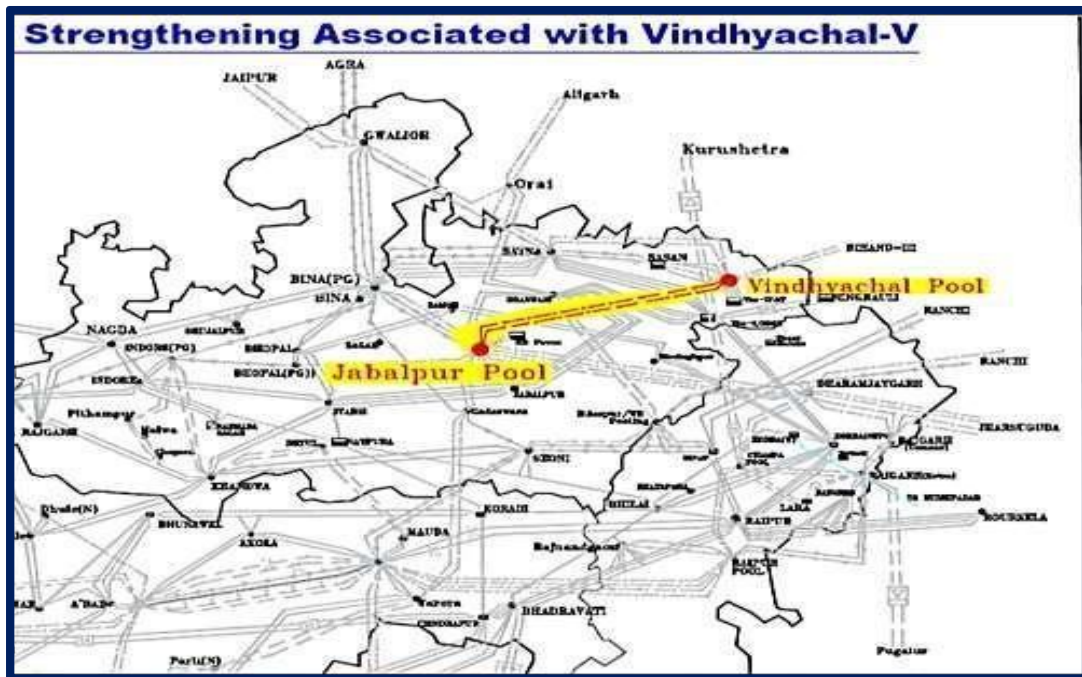
All the elements have been successfully charged and Date of Commercial Operation (DOCO) declared as per details below:

Transmission Line/ Substations	Location	Line length/ Capacity	Specifications	COD	Contribution to total transmission charges
Vindhyachal Pooling Station- Jabalpur Pooling Station 765 kV D/C line	Madhya Pradesh	745.01 ckm	745.01 ckm	01-Jan-19	100.00%

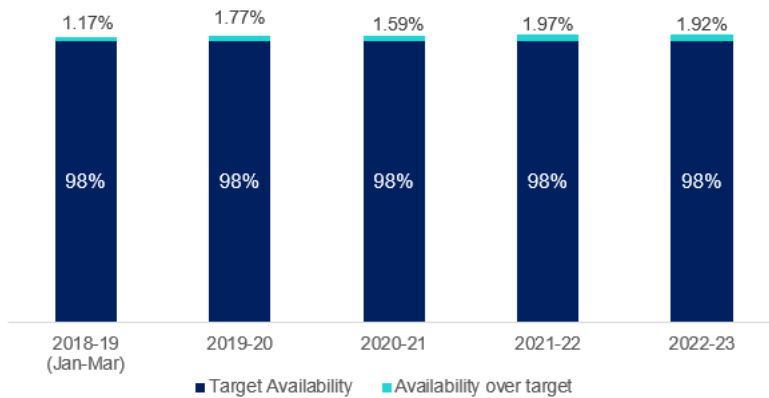
Source: Management inputs



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:

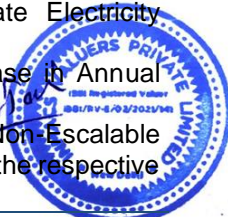
Description	Claim as per petition of PWTL (INR Mn)	Claim allowed as per CERC order (INR Mn)
Increase in acquisition Price by Bid Process Coordinator (BPC)	3.5	2.3
Increase in cost owing to introduction of GST	210.3	191.4
Land Compensation	552.6	434.1
Total	766.4	627.8
Change in Annual transmission charges 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

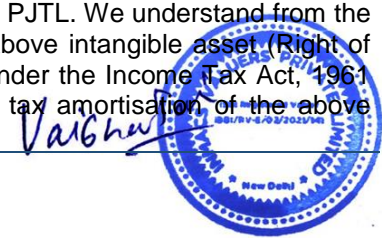
O&M expenses for PJTL have been estimated by the Management at INR 31.93 Mn in FY2024. During the forecast period, these expenses have been escalated at the rate of 3.51% per annum as per O&M Agreement and Management estimates. We have relied on the projections provided by the Management.

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 PGIInvT	Value of PGIInvT'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 Korupolu-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	20.03.2016	AP Transco
	2. 400 kV D/C Khammam Nagarjuna Sagar line		
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 ElectricityAct,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 coordinationcommittee clearance		
8(1)	400 kV D/C Karcham Wangtoo-Abdullapur TL (LIL0)	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 forconstruction		
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 RegulatoryCommission
17	Transmission License (25 years) for RTM workallocated by Govt.	22.03.2022	Central Electricity RegulatoryCommission

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 in Maharashtra	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 Umarkhed 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. Keshegaon 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 - Kaij 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/C Girwali - 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 Gadawara STPS Warora		
3(1)	50.731 ha for 765 KV D/C transmission line from Gadawara to Warora (Maharashtra)	28.06.2017	GOI-Ministry of Environment, Forests & Climate Change
3(2)	165.528 ha for 765 KV D/C TL Gadawara STPS to Warora (MP)	29.05.2017	APCCF, MP, Bhopal
	2. 765 kV D/C Gadawara 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 Gadawara STPS Warora		
8(1)	765 kV (HEX BUNDLE) Gadawara-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 Gadawara 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-Gadawara (balance portion)	31.03.2017	PTCC - Government of India
9	Railway Crossing		
	1. 765 kV D/C Gadawara 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 Gadawara STPS Jabalpur Line	No Railway Crossing	
10	Road Crossing		
	1. 765 kV D/C Gadawara 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 Gadawara 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 Gadawara 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 Rese
11(2)	Banas River	23.02.2018	Ministry of Environment and Forest (Sanjay Tiger Rese
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	Gross Block	Depreciation	Net Block	<i>In million</i>
				% 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.



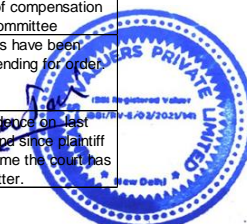
On-going material litigations including tax disputes as on date of valuation of PKATL

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 28.11.2022 ago 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. Tehsildar, 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 Tehsildar, 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 has 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.



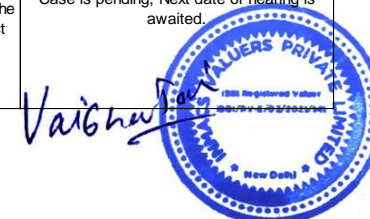
Sr.No.	Nature of Matter	Name of the Petitioner/Appellant/Complainant	Name of Defendant/Respondent	Forum	Financial Claim/Impact	Case Number	Brief Summary of the facts of the matter	Current Status of the matter and the next date of hearing
9	Writ Appeal	Madhulata Patel	PWTL and Others	Hon'ble High Court 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.



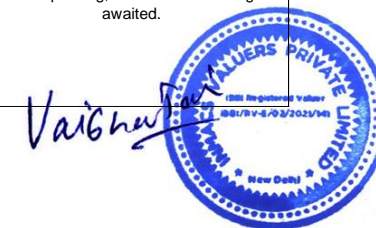
Sr.No.	Nature of Matter	Name of the Petitioner/Appellant/Complainant	Name of Defendant/Respondent	Forum	Financial Claim/Impact	Case Number	Brief Summary of the facts of the matter	Current Status of the matter and the next date of hearing
14	Contempt Petition	Prabha Bai	Sh. K Shrikant, CMD POWERGRID and 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.



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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.




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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 LILLO (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

Vaighan



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 Vindhyachal 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.

Vaishnavi
A circular blue stamp with the text 'VIGNANS PRIVATE LIMITED' around the perimeter. Inside the stamp, it says '(BSE Registered Valuer)', 'BSE/V-4703/2021/146', and 'New Delhi'.

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.

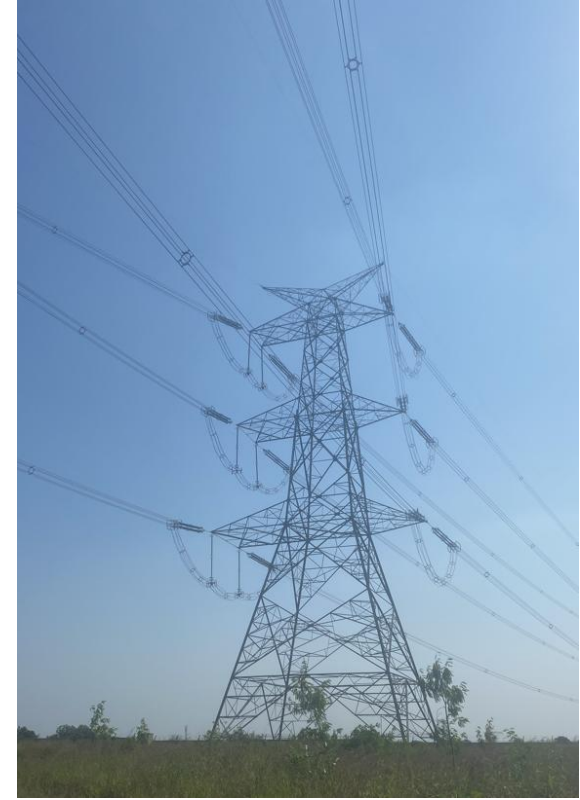
Observation –

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 -

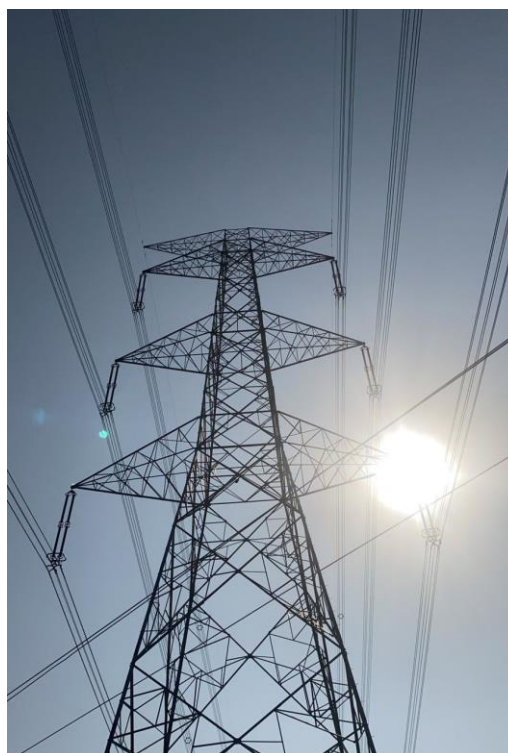
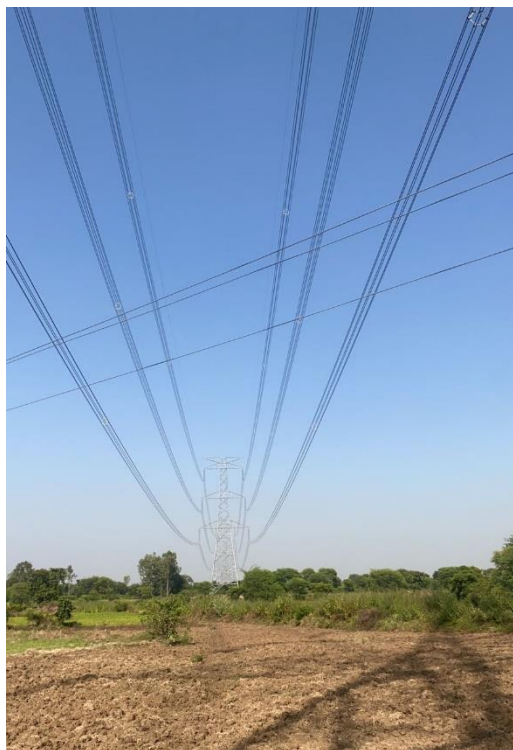
The virtual site visits for verification of assets of the SPV have been carried out on March 29th, 2023.

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

