

April 27, 2021

IPO Note

POWERGRID INFRASTRUCTURE INVESTMENT TRUST**NOT RATED**

(Note: All the information in this note is taken from RHP)

Offer Details

The price band is in the range of Rs. 99-100/unit. The total issue size is Rs. ~7,735 crores (at Rs. 100/unit) through combination of an Offer for Sale (OFS) of up to 27.42 crores units (at Rs. 100/unit) by Power Grid Corporation of India Limited (Selling Unitholder) and Fresh issue of up to 49.93 crores units (at Rs. 100/unit) by POWERGRID Infrastructure Investment Trust (the "Trust"). This Offer will constitute at least 10% of the outstanding Units on a post-Offer basis.

Details of the offer

Particulars	Details
Price band (Rs/unit)	99-100
Opening date of the Issue [^]	April 29, 2021
Closing date of the issue	May 3, 2021
Trust	POWERGRID Infrastructure Investment Trust
Sponsor, Project Manager & Selling Unitholder	Power Grid Corporation of India Limited
Trustee	IDBI Trusteeship Services Limited
Investment Manager	POWERGRID Unchahar Transmission Limited
Fresh Issue (No. of units) (Cr)*	49.93
Offer for sale (No. of units) (Cr)*	27.42
Total (No. of Units) (Cr)*	77.35
Issue size (Rs Cr)*	7735
Minimum Bid Size (Rs. In Lakhs)	1,00,000
Bid Lot	1100 units & in multiple of 1100 units thereafter
Book Building	
Institutional Investors#	75%
Non-Institutional	25%
Listing	BSE & NSE
Lead managers	ICICI Securities Limited; Axis Capital Limited; Edelweiss Financial Services Limited; HSBC Securities and Capital Markets (India) Private Limited
Registrar to the issue	KFin Technologies Private Limited

Source: POWERGRID Infrastructure Investment Trust's RHP, *Based on upper price band; [^]The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date i.e. April 28, 2021; #provided that the Investment Manager (POWERGRID Unchahar Transmission Limited) and the Selling Unitholder (Power Grid Corporation of India Limited) may, in consultation with the Lead Managers, allocate up to 60% of the Institutional Investor Portion to Anchor Investors on a discretionary basis in accordance with the InvIT Regulations and the SEBI Guidelines.

Objects of the offer

The Offer comprises a Fresh Issue by the Trust and an Offer for Sale by the Selling Unitholder.

The Offer Proceeds are proposed to be used in accordance with the details provided in the following table:

Particulars	Amount (Rs. In crores)
Providing loans to the Initial Portfolio Assets for repayment or pre-payment of debt, including any accrued interest, availed by the Initial Portfolio Assets	4,993
General purposes	[*]
Total	[*]

Source: POWERGRID Infrastructure Investment Trust's RHP; *To be determined on finalisation of the Offer Price and updated in the Final Offer Document prior to filing with SEBI and the Stock Exchanges

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Business Overview

POWERGRID Infrastructure Investment Trust are an InvIT set-up to own, construct, operate, maintain, and invest as an infrastructure investment trust as permissible in terms of the InvIT Regulations, including in power transmission assets in India. They were registered with SEBI as an InvIT on January 7, 2021. Their Sponsor and Project Manager is a CPSE under the Ministry of Power, GoI and is listed on BSE and NSE. The Sponsor was conferred with 'Maharatna' status on October 23, 2019 by the GoI. As of November 1, 2020, the Sponsor was the largest power transmission company in India in terms of length of transmission lines measured in circuit kilometres (Source: CEA). As of August 31, 2020, the Sponsor's share in India's cumulative inter-regional power transfer capacity was more than 85% (Source: CEA). Further, for Fiscal 2020, the Sponsor's share in the transmission charges for inter-state transmission system (ISTS) billed by the Central Transmission Utility (CTU) is over 85% (Source: POWERGRID).

As of December 31, 2020, the Sponsor owned tariff based competitive bidding (TBCB) Projects and through its wholly owned subsidiaries, is setting up, implementing and operating transmission projects at various locations in India where the right to provide transmission services is procured under the TBCB mechanism. Together, the 19 wholly owned subsidiaries of the Sponsor, with 15 Special purpose vehicles (SPVs) and 4 SPVs for ISTS projects and intra-state projects, respectively, each of which were acquired pursuant to the TBCB mechanism. As of December 31, 8 of these ISTS SPVs had commenced commercial operations, comprising 39 transmission lines (6,398 Circuit kilometres also known as ckm), with a total power transformation capacity of 9,630 Megavolt-Ampere (MVA). The remaining Sponsor TBCB Projects are at different stages of development.

Of the Sponsor TBCB Projects, they propose to acquire 5 projects initially with a total network of 11 power transmission lines of approximately 3,698.59 ckm and 3 substations having 6,630 MVA of aggregate transformation capacity, as of December 31, 2020, across five states in India (the "Initial Portfolio Assets").

The Initial Portfolio Assets were awarded to Sponsor under the TBCB mechanism on a build-own-operate-maintain ("BOOM") basis. The Initial Portfolio Assets earn revenues, i.e., availability-based transmission charges, pursuant to the transmission service agreements ("TSAs"), from the Designated Inter State Transmission System Customers (DICs) under such TSAs irrespective of the quantum of power transmitted through the transmission line. In addition, maintaining availability of the Initial Portfolio Assets more than 98%, gives them the right to claim incentives under the TSAs. The transmission charges for power transmission projects acquired through the TBCB mechanism, including the Initial Portfolio Assets, is contracted for the period of the relevant TSAs, which is 35 years from the Scheduled Commercial operation date (COD) of the relevant power transmission project, and is subject to renewal in accordance with the relevant TSA and the Central Electricity Regulatory Commission (CERC).

POWERGRID Infrastructure Investment Trust's Investment Manager, POWERGRID Unchahar Transmission Limited, a wholly owned subsidiary of Sponsor, is responsible for managing them and the Initial Portfolio Assets as well as undertaking investment decisions relating to their assets.

POWERGRID Infrastructure Investment Trust's Trustee, IDBI Trusteeship Services Limited, is a trusteeship company registered with SEBI as a debenture trustee under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, since February 14, 2017. On behalf of Unitholders, the Trustee is responsible for (a) ensuring that business activities and investment policies comply with the provisions of the InvIT Regulations, and (b) monitoring the activities of Investment Manager (in terms of the Investment of the Project Implementation and Management Agreement).

They believe that they are well positioned to take advantage of the growth potential of India's power transmission industry given their financial position, support from their Sponsor and the robust regulatory framework for power transmission in India. They are also focused on providing stable and sustainable distributions to Unitholders.

They have been given a credit rating of Provisional [ICRA] AAA (Stable), CARE AAA (Is); Stable and Provisional CCR AAA/Stable by ICRA Limited, CARE Ratings Limited and CRISIL Ratings Limited, respectively.

Strengths

Strong lineage and support from the Sponsor and Project Manager

They believe that the experience and expertise of Power Grid Corporation of India Limited, the Sponsor, provides them with a significant competitive advantage within the Indian power transmission industry. The Sponsor has been awarded various transmission projects under the TBCB mechanism adopted by the Central and the State Governments and as of December 31, 2020, had the highest market share, on the basis of number of projects awarded among the ISTS projects awarded under the TBCB mechanism (Source: CEA Monthly Progress Report of Transmission Projects awarded Through Tariff Based Competitive Bidding (TBCB) Route (Completed Projects), December 2020; CEA Monthly Progress Report of Transmission Projects awarded Through Tariff Based Competitive Bidding (TBCB) Route (Under Construction Projects), December 2020).

During the period October 6, 2008 and December 31, 2020, the Sponsor was declared as the successful bidder for 16 out of 52 ISTS projects awarded under the TBCB mechanism. In addition, the Sponsor was awarded four intra-state projects through the TBCB mechanism. The Sponsor has recently emerged as the successful bidder in the bids for five TBCB projects, with letters of intent dated January 29, 2021, January 29, 2021, February 1, 2021, February 16, 2021, and February 16, 2021 issued to the Sponsor by the relevant bid process coordinators. As of December 31, 2020, the Sponsor operated, on a standalone basis, 1,238 transmission lines aggregating to 161,742 ckm, 248 substations (including HVDC substations and GIS substations) with 411,000 MVA of transformation capacity. Further, as of December 31, 2020, the Sponsor's total transmission assets, including its wholly owned subsidiaries, consisted of 1,277 transmission lines aggregating to 168,140 ckm, 252 substations with an aggregate transformation capacity of 420,630 MVA.

In addition, the Sponsor has been operating, maintaining, and managing the Initial Portfolio Assets under the terms of the relevant operations and maintenance ("O&M") agreements. Since the Sponsor will also act as Project Manager and will continue to provide O&M services to the Initial Portfolio Assets, Trust will benefit from Sponsor's experience including from its O&M expertise.

Consistent and stable cash flows from assets with long term visibility and low counter party risks

Transmission charges are fixed for a period of 35 years, there is minimal price risk arising from transmission charge resetting, which provides stability, consistent cash flows and long-term visibility. Maintaining annual availability in inter-state power transmission projects more than 98% also gives them the right to claim incentives under the terms of the respective TSAs, ensuring adequate benefit to maximize availability. The amount of incentive revenue earned increases as the availability levels increase, with a maximum incentive revenue earned for maintaining availability of greater than or equal to 99.75%.

Further, the average remaining term of the TSAs entered by the Initial Portfolio Assets is over 32 years, and with carrying out required renovation works, the useful life of transmission assets can be extended up to 50 years, according to the Technical Reports. The long residual life of the Initial Portfolio Assets provides long and stable visibility of cash flows. Since the Initial Portfolio Assets are on a BOOM basis, they will be in possession of these assets perpetually, which further ensures stability of cash flows.

Strong financial position

They believe their financial position will help them finance future expansion plans. They have been given a credit rating of Provisional [ICRA] AAA (Stable), CARE AAA (Is); Stable and Provisional CCR AAA/Stable by ICRA Limited, CARE Ratings Limited and CRISIL Ratings Limited, respectively.

Following utilization of the Offer Proceeds, consolidated borrowings and deferred payments net of cash and cash equivalents will be below 49% of the total value of assets, as prescribed by the InvIT Regulations.

Further, they expect that the low debt position of balance sheet (relative to assets) will provide them with the ability to finance the growth of business without substantial dilution to Unitholders in the near future to ensure compliance with the InvIT Regulations. In addition, the security of payments for the transmission service by the Initial Portfolio Assets, as ensured under the terms of the TSAs and the CERC Sharing Regulations, which they believe results in low receivables risk, ensures timely payment, and increases financial strength.

Government support and an established regulatory framework

The GoI has also been supportive in securing the settlement of outstanding dues by the designated inter-state transmission system customers and in addressing right of way issues, as well as expediting forest clearances that are required during implementation of projects.

The transmission segment of the Indian power sector is a regulated sector with an established regulatory framework. Various regulatory and statutory bodies, such as the CEA, the Central Electricity Regulatory Commission (the "CERC") and various state electricity regulatory commissions (the "SERCs"), provide institutional guidance in the formulation of policy framework for the participation and ongoing regulation of various stakeholders involved in the industry, including, transmission service providers, such as, the Sponsor and trust.

The current regulatory framework for the Indian power transmission segment provides significant risk mitigation provisions, such as, availability-based payment structure with no volume risk and the billing, collection, and disbursement procedure for adequate payment with limited price risk. They believe such provisions help in ensuring long-term visibility on returns and predictable cash flows. Accordingly, Initial Portfolio Assets enjoy the benefit of a well-established regulatory regime and long-term cash flow stability as provided under the existing tariff policy.

Strategies

Focused business model with productive and operational efficiency to enhance returns

They intend to achieve stable distributions for Unitholders by focusing on owning power transmission assets with long-term TSAs, low operating risks, and consistent and stable cash flows, which is consistent with the characteristics of the Initial Portfolio Assets. By leveraging the Sponsor's and Investment Manager's industry knowledge and experience, including in relation to O&M practices, as well as by continuing focus on this asset class They believe they would be able to maximize strategic opportunities and overall financial performance.

They intend to continue to maintain high transmission availability, optimize operating costs and incorporate new and efficient technologies as well as undertake further improvement in O&M practices. By maintaining high transmission availability rates, they are eligible to receive an incentive payment under the relevant TSAs, and the Initial Portfolio Assets have had a successful track record of achieving high availability and receiving such incentive payments.

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

They are focused on the Indian market, where they believe there is a significant opportunity for growth. Other than the Investment Manager and the Initial Portfolio Assets, the Sponsor owns 2 operational subsidiaries with an aggregate gross block of Rs. 5,029 crores as on December 31, 2020. Further, as of December 31, 2020, there were 7 subsidiaries in the construction phase, and the project cost estimated by the Sponsor is Rs. 9,200 crores. In addition, 4 subsidiaries in intra-state power transmission (with the project cost estimated at Rs. 3,000 crores) are also in construction phase. The subsidiaries in construction phase are progressively scheduled for completion by Financial Year 2023.

Further, keeping in view the long-term sustainable growth of the power sector, various policies, and investment plans of the Government of India, such as the target for 175 GW cumulative renewable power installed capacity by the year 2022, the Draft National Energy Policy (2017), National Infrastructure Pipeline, proposed amendment to Electricity Act, 2003 and Aatmanirbhar Bharat Scheme, provide indications for various opportunities for the power sector in the long term.

Investment Manager intends to capitalize on opportunities to acquire power transmission projects in India that provide attractive cash flows. Future growth will be derived primarily from value accretive acquisition strategy, which will be focused primarily on acquiring power transmission projects as and when such opportunities arise, and which would provide long-term, regular, and predictable cash flows, demonstrate potential to maintain or enhance returns to Unitholders, and provide potential for long-term capital growth in accordance with investment objectives. The future acquisitions of projects owned by the Sponsor will be assessed for their suitability with investment mandate and are subject to mutual agreement between the Sponsor and Investment Manager on their behalf, as well as approval by the Unitholders. Further, Investment Manager may seek to generate non-transmission revenue from various avenues, including leasing of optical ground wire and transmission towers.

Optimization of transmission assets through an efficient capital structure

The Investment Manager aims to maintain an optimal and varied portfolio of transmission assets, as well as an efficient capital structure and balanced consolidated leverage, to provide for consistent and predictable cash flows. Following utilization of the Offer Proceeds, consolidated borrowings and deferred payments net of cash and cash equivalents shall be within the limits prescribed by the InvIT Regulations, and there shall be no borrowings of the Initial Portfolio Assets other than the Facilities.

In order to acquire additional power transmission projects to provide the most balanced and optimal capital structure, they intend to consider both private and public markets, for raising debt capital. They believe that on account of the revenues generated by the Initial Portfolio Assets, the predictability of cash flows, the contractual agreements governing operations and the low risk profile of assets, they are well positioned to maintain balance sheet over the longer term with investment grade credit rating metrics and maintain appropriate levels of debt relative to equity.

Distribution

The net distributable cash flows of the Trust (the “Distributable Income”) shall be based on the cash flows generated by it and from the underlying operations undertaken by the InvIT Assets and any holding companies (such holding companies, together, the “Holding Companies”).

The InvIT intends to distribute at least 90% of the net cash available for distribution to Unitholders once at least every quarter in every financial year. However, the first declaration of distribution by the Trust shall be made within six months from the listing and trading of units pursuant to the Offer, subject to compliance with the InvIT Regulations.

Initial Portfolio Assets

The Initial Portfolio Assets comprise 5 power transmission projects located across 5 states of India. The projects comprise 11 transmission lines, including 6, 765 Kilo Volt (kV) transmission lines and 5, 400 kV transmission lines, with a total circuit length of approximately 3,698.59 ckm, and 3 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 TSA, relevant Initial Portfolio Asset can apply to CERC for renewal if it is not unilaterally extended by CERC.

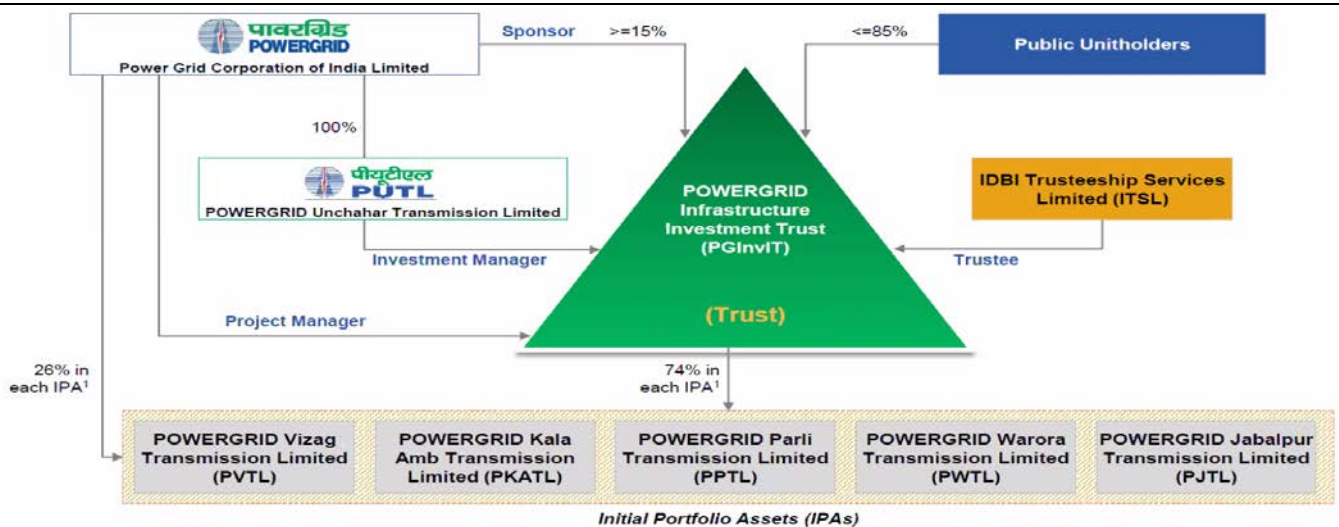
The Sponsor (jointly with its nominees) presently holds 100% of the equity shareholding of each of the Initial Portfolio Assets. Prior to the Allotment, the Trust, acting through the Trustee, proposes to acquire from the Sponsor, and the Sponsor proposes to transfer to the Trust in exchange for Units, the equity shareholding of each of the Initial Portfolio Assets, pursuant to the Share Purchase Agreements, a portion of which shall be transferred to the Trust prior to Allotment (the "Proposed Transfer"). The Proposed Transfer shall be as set out below:

Acquisition of the Initial Portfolio Assets by the Trust and acquisition of the Units by the Sponsor

Name of the Initial Portfolio Asset	Pre-Offer shareholding of the Sponsor (jointly with its nominees) (%)	Proposed post-Offer shareholding (%)	
		The Sponsor (jointly with its nominees)	The Trust
PVTL*	100.00%	26.00%	74.00%
PKATL*	100.00%	26.00%	74.00%
PPTL*	100.00%	26.00%	74.00%
PWTL*	100.00%	26.00%	74.00%
PJTL*	100.00%	26.00%	74.00%

Source: POWERGRID Infrastructure Investment Trust's RHP; *POWERGRID Vizag Transmission Limited ("PVTL"), POWERGRID Kala Amb Transmission Limited ("PKATL"), POWERGRID Parli Transmission Limited ("PPTL"), POWERGRID Warora Transmission Limited ("PWTL") & POWERGRID Jabalpur Transmission Limited ("PJTL")

Proposed post-listing structure



Notes
1. Balance 26% stake shall be acquired in a phased manner, after expiry of the lock-in conditions under the Transmission Service Agreements (TSA)

Source: POWERGRID Infrastructure Investment Trust's RHP

APRIL 27, 2021

Summary description of the Initial Portfolio Assets

Project Name	Transmission lines (including any stations/ substations)	Specifications	Line length (in ckm)	Transformation Capacity (in MVA)	COD	Expiry of term of TSA
PVTL	Khammam (Existing) – Nagarjuna Sagar	400 kV D/C	288.84-	-	January 3, 2016	January 31, 2052
	Srikakulam PP – Vemagiri-II Pooling Station	765 kV D/C	668	-	February 1, 2017*	
PKATL	LILO of both circuits of Karcham Wangtoo – Abdullapur transmission line at Kala Amb substation (on M/C towers)	400 kV D/C	2.47	-	July 12, 2017	July 11, 2052
	400/220 kV GIS substation at Kala Amb	400 kV / 220 kV GIS substation	-	630		
	40% Series compensation on 400 kV Karcham Wangtoo – Kala Amb (Quad) D/C line at Kala Amb ends	-	-	-		
PPTL	Parli (New) - Solapur	765 kV D/C	235.92	-	April 27, 2018	June 3, 2053
	Parli (New) – Parli (PG)	400 kV D/C	36.5	-		
	2x1500 MVA, Parli (New) S/S	765/400 kV substation	-	3000		
	Warora (Pooling Station) – Parli (New)	765 kV D/C	693.7	-	June 4, 2018^	
PWTL	Interim Arrangement~	765 kV D/C	30.55	-	Nov 30, 2016	July 9, 2053
	Gadarwara STPS Jabalpur Pool	765 kV D/C	173.92	-	May 31, 2017	
	LILO of both circuits of Wardha - Parli (PG)					
	400 kV D/C line at Warora Pooling Station (Quad)	400 kV D/C	196.29	-	May 16, 2018	
	Gadarwara STPS New Pooling Station within the jurisdiction / boundary of Warora	765 kV D/C	627.35	-	July 10, 2018	
	2x1500 MVA 765/400 kV (New Pooling Station within the jurisdiction / boundary Warora)	765/400 kV substation	-	3,000	July 10, 2018#	
PJTL	Vindhyachal Pooling Station- Jabalpur Pooling Station	765 kV D/C	745.05	-	June 25, 2018\$	June 24, 2053

Source: POWERGRID Infrastructure Investment Trust's RHP

Total revenue from operations of the Initial Portfolio Assets

Initial Portfolio Assets (Rs. In crores)	FY18			FY19			FY20			9MFY21		
	Trans- mission Charges	Incen- tive Revenue	Total Revenue	Trans- mission Charges	Incen- tive Revenue	Total Revenue	Trans- mission Charges	Incen- tive Revenue	Total Revenue	Trans- mission Charges	Incen- tive Revenue	Total Revenue
PVTL	234.3	8.0	242.3	285.4	10.1	295.4	302.3	10.6	312.9	220.9	8.0	228.9
PKATL	37.6	-	37.6	57.3	-	57.3	73.0	0.2	73.2	54.3	0.6	54.9
PPTL	-	-	-	273.8	9.1	283.0	316.2	11.1	327.3	238.5	8.9	247.4
PWTL	62.3	1.4	63.7	271.1	9.4	280.4	348.2	12.0	360.3	263.0	9.9	272.9
PJTL	-	-	-	59.9	1.2	61.0	242.8	7.8	250.6	183.0	5.3	188.2
Total	334.2	9.4	343.6	947.4	29.8	977.2	1,282.5	41.8	1,324.3	959.7	32.6	992.3

Source: POWERGRID Infrastructure Investment Trust's RHP

Statement of projections of revenue from operations and cash flow from operating activities

Total Revenue from Operations (Rs. In crores)	FY22	FY23	FY24
PVTL	296	243	220
PKATL	73	71	69
PPTL	328	328	328
PWTL	364	364	364
PJTL	252	252	252
POWERGRID Infrastructure Investment Trust (Combined)	1,314	1,259	1,234

Source: POWERGRID Infrastructure Investment Trust's RHP

Cash flow from Operations (Rs. In crores)

	FY22	FY23	FY24
PVTL	261	226	201
PKATL	65	61	57
PPTL	308	308	308
PWTL	344	343	343
PJTL	242	242	242
POWERGRID Infrastructure Investment Trust (Combined)	1,209	1,168	1,137

Source: POWERGRID Infrastructure Investment Trust's RHP

Valuation Summary as of 31st Dec 2020

SPV	WACC (%)	EV (Rs. In crores)	Equity Value (Rs. In crores)	No. of Eq Shares	Value per Equity share
PVTL	7.80	2,314	1,531	20,97,30,000	73.0
PKATL	7.60	454	268	6,10,00,000	43.9
PPTL	7.70	2,598	1,314	32,21,00,000	40.8
PWTL	7.70	2,904	1,368	39,33,00,000	34.8
PJTL	7.60	2,116	958	22,69,10,000	42.2

Source: POWERGRID Infrastructure Investment Trust's RHP

Comparison with Industry Peers

Particulars	NAV per Unit (In Rs.)*	Premium / (Discount to NAV)%**
India Grid Trust	113.46	15.41%

Source: POWERGRID Infrastructure Investment Trust's RHP; *NAV as of December 31, 2020;

**Calculated as Unit Price as of April 16, 2021 as quoted on NSE / NAV as of December 31, 2020

Financials

Combined Balance Sheet (Rs. In Cr)

Y/E March	FY18	FY19	FY20	9MFY21
ASSETS				
Non-current assets				
Property, Plant and Equipment	1,779	6,615	6,322	6,199
Capital work-in-progress	4,529	9	-	2
Other Intangible assets	0	88	116	112
Intangible assets under development	19	-	-	-
Deferred tax Assets(Net)	19	-	-	-
Other non-current assets	41	5	4	62
Total Non-Current Assets	6,387	6,718	6,442	6,375
Current assets				
Inventories	11	21	31	31
Financial Assets	-	-	-	-
Trade receivables	51	119	174	188
Cash and cash equivalents	17	3	40	54
Other current financial assets	34	131	126	140
Current Tax Assets (Net)	5	6	6	-
Other current assets	0	3	3	30
Total Current Assets	117	282	380	443
Fixed Assets	6,505	7,000	6,821	6,818
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	442	999	1,201	1,213
Other Equity	71	220	333	275
Net worth	513	1,218	1,534	1,488
Liabilities				
Non-current liabilities				
Financial Liabilities				
Borrowings	5,237	5,337	4,429	4,751
Deferred tax liabilities(Net)	-	5	29	268
Total Non-current liabilities	5,237	5,342	4,458	5,019
Current liabilities				
Financial Liabilities				
Trade payables				
(A) total outstanding dues of micro enterprises and small enterprises				
	-	-	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises				
	0	0	1	9
Other current financial liabilities	739	431	827	300
Other current liabilities	16	5	2	3
Provisions	0	1	0	0
Current Tax Liabilities (Net)	0	3	0	0
Total Current liabilities	755	440	829	312
Total Liabilities	5,991	5,782	5,288	5,330
Total EQUITY AND LIABILITIES	6,505	7,000	6,821	6,818

Source: POWERGRID Infrastructure Investment Trust's RHP

Combined Statement of Profit and Loss (Rs. In Cr)

Y/E March	FY18	FY19	FY20	9MFY21
Revenue from Operations	344	977	1,324	992
Other Income	2	7	10	17
Total Income	346	984	1,334	1,009
EXPENSES				
Finance costs	116	328	429	291
Depreciation and amortization expense	93	275	379	139
Other expenses	8	33	38	31
Total expenses	217	636	847	461
Profit Before Tax	129	348	487	548
Current tax	27	75	85	28
Earlier Years	0	-	-	-56
Deferred tax	-13	25	23	239
Tax expense	14	100	109	211
Profit After Tax	114	248	379	337

Source: POWERGRID Infrastructure Investment Trust's RHP

Consolidated Statement of Cash Flows (Rs. In Cr)

Y/E March	FY18	FY19	FY20	9MFY21
Net cash (used in) / generated from operating activities	373	342	1,052	901
Net cash (used in) / generated from Investing Activities	-3,274	-643	-107	-14
Net cash (used in) / generated from Financing Activities	2,914	286	-908	-872
Net (decrease) / increase in cash and cash equivalents	13	-14	37	14
Cash and Cash equivalents at beginning of the period / year	4	17	3	40
Cash and Cash equivalents at end of the period / year	17	3	40	54

Source: POWERGRID Infrastructure Investment Trust's RHP

RATING SCALE (PRIVATE CLIENT GROUP)

Definitions of ratings

BUY	–	We expect the stock to deliver more than 15% returns over the next 12 months
ADD	–	We expect the stock to deliver 5% - 15% returns over the next 12 months
REDUCE	–	We expect the stock to deliver -5% - +5% returns over the next 12 months
SELL	–	We expect the stock to deliver < -5% returns over the next 12 months
NR	–	Not Rated. Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
SUBSCRIBE	–	We advise investor to subscribe to the IPO.
RS	–	Rating Suspended. Kotak Securities has suspended the investment rating and price target for this stock, either because there is not a sufficient fundamental basis for determining, or there are legal, regulatory or policy constraints around publishing, an investment rating or target. The previous investment rating and price target, if any, are no longer in effect for this stock and should not be relied upon.
NA	–	Not Available or Not Applicable. The information is not available for display or is not applicable
NM	–	Not Meaningful. The information is not meaningful and is therefore excluded.
NOTE	–	Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

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