14th August, 2026

To
The General Manager (Listing),
National Stock Exchange of India Limited,
Exchange Plaza, C 1/G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai.

To
The General Manager (Listing),
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai.

Reference: NSE-SCRIP ID: POWERGRID; BSE Scrip Code: 532898
EQ – ISIN INE752E01010

Sub.: Transcript of Webinar for Investors' & Analysts' on Financial Performance of POWERGRID for 1st quarter ended 30th June, 2026 (FY 2026-27) held on 07th August, 2026.

Dear Sir,

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed herewith copy of Transcript of Webinar held on Friday, 07th August, 2026 for Investors' & Analysts' on Financial Performance of POWERGRID for 1st quarter ended 30th June, 2026 (FY 2026-27).

Thanking You.

Yours faithfully,

Anjana Luthra
Digitally signed by Anjana Luthra
Date: 2026.08.14 18:42:21 +05'30'

(Anjana Luthra)
Company Secretary &
Compliance Officer

Encl.: As above.

Power Grid Corporation of India Limited

Transcript of Webinar

(For Q1 FY 2026-27)

Friday, 07th August, 2026, 11 A.M. (IST)

Management

Shri Burra Vamsi Rama Mohan	Chairman & Managing Director [with additional charge of Director (Projects)]
Dr. Yatindra Dwivedi	Director (Personnel) [with additional charge of Director (Finance)]
Shri Naveen Srivastava	Director (Operations)

Chief Financial Officer

Shri Venkata S.V.	Chief Financial Officer

Company Secretary and Compliance Officer

Smt. Anjana Luthra	Company Secretary & Compliance Officer

Moderator

Shri Mohit Kumar	ICICI Securities Limited

Transcript of Webinar

Moderator: Ladies and gentlemen, good day, and welcome to the Power Grid Corporation of India Limited Q1 FY27 Earnings call Webinar hosted by ICICI Securities Limited. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Please note this conference call is being recorded. I now hand the conference over to Mr. Mohit Kumar from ICICI Securities Limited. Thank you, and over to you, sir.

Mohit Kumar: Thanks, Ryan. Good morning. On behalf of ICICI Securities, I welcome you all to the Q1 FY27 Earnings Webinar of Power Grid Corporation of India Limited. We will start with detailed presentation, which will be followed by Q&A. I would like to thank the management for giving us the opportunity to host the webinar. Without much delay, now I hand over the call to Mrs. Anjana Luthra, Company Secretary and Compliance Officer of POWERGRID. Thank you, and over to you, ma'am.

Anjana Luthra: Thank you, Mohit. Good morning. I am pleased to welcome you all to webinar for investors and analysts organized by Power Grid Corporation of India Limited. Today, our functional Directors and senior management team will discuss company business and share performance company's performance outlook based on Q1 FY26-27 financial results recently announced on 5th of August 2026.

Now I would like this privilege to introduce our functional Directors: Shri Burra Vamsi Rama Mohan, Chairman and Managing Director, he is also holding Additional Charge of Director (Projects).

B. Vamsi Rama Mohan: Namaste.

Anjana Luthra: Dr. Yatindra Dwivedi, Director (Personnel), he is also holding Additional Charge of Director (Finance).

Dr. Yatindra Dwivedi: Good morning.

Anjana Luthra: Shri Naveen Srivastava, Director (Operations).

Naveen Srivastava: Good morning.

Anjana Luthra: We also have with us Shri Venkata Subrahamanayam Vallurie, Chief Financial Officer.

Venkata S.V.: Namaste.

Anjana Luthra: And other senior officials with us. Now I request Chairman and Managing Director for the presentation to the investors.

B. Vamsi Rama Mohan: Good morning, all. Thank you for joining this webinar on the earnings update of Power Grid Corporation of India Limited for the Q1 ending 30th June 2026. We have a standard disclaimer before the presentation. This is available on the screen.

The presentation outline will be in the manner like we start with the highlights and overview, execution and operations, competition, the order pipeline and the outlook of the sector, financial performance of the company, sustainability and recognitions.

As far as the highlights and overview, pleased to inform that the gross fixed assets stand at about Rs. 3.25 lakh crore plus. The transmission lines in terms of circuit kilometers are about 1,86,000 circuit kilometers. Transformation capacity is 6,34,516 MVA with about 291 substations which it encompasses. The system availability continues to be one of the highest in terms of 99.8%.

The market position, the shareholding of Government of India continues to be about 51.34%. Market cap Rs. 2.66 lakh crore, and the FII shareholding, DII shareholding at 24.33% and 20.70% respectively. The credit profile continues to be one of the finest in terms of the domestic as well as international. All these figures are as on 30th June, 2026.

The major elements which have been commissioned in the quarter FY27 are about 1,635 circuit kilometers and which is almost 35% of the last year's achievement in the first quarter of Q1, we achieved almost 35% of what we achieved last year. The transformation capacity stands about 10,500 MVA. The transmission lines which have been commissioned during this period are 765 kV Kurnool III - Maheshwaram, 765kV Dausa - Beawar in Rajasthan, a 400 kV new Navsari-Kala, 400 kV Kadapa - Ananthapuram again in Andhra Pradesh.

The transformation capacity has been added in Bikaner III substation, KPS3, Fatehgarh III, Padghe, and the 400 kV systems include Jabalpur PS, Satna substation, Ananthapuram and Fatehgarh III. Added to this, after June '26, the major systems which have been completed are 765 kV Raichur-Koppal II PS line in the state of Karnataka, 400 kV Gadag II-Koppal II PS and that also is in the state of Karnataka, and 400 kV Bikaner II and Bikaner III in state of Rajasthan. These projects are by and large associated with the RE generation in the respective states. A new 765/400 kV substation in Koppal has been also been completed.

The guidance what was given as Rs. 37,000 crore, we are pleased to inform that compared to last year, we have the capex is more than 10% what we have achieved in this quarter in Q1 itself. And on the capitalization front, the guidance standing at Rs. 30,000 crore, it is almost 3.13 times than what we have achieved in the last quarter. So, as against 1,683, we stand about Rs. 5,277 crores as far as capitalization is concerned.

Availability and the tripping per line continues to be one of the finest in the sector. Pleased to inform, as you are aware that POWERGRID had these emergency restoration systems for tower which proved very beneficial during emergency situations, and POWERGRID has also been inching towards bringing in similar systems on the substation front.

As you all are aware, the 220 kV mobile GIS bay was successfully indigenously developed in association with POWERGRID, and now we have also got the 132 kV mobile GIS bay and 400 kV GIS bay is shortly on the end. So basically, we are well-armed with trying to deal with the urgent situations whichever are going to arise during the construction phase and the operation phase.

TBCB front, the competition if you are talking about, the success till July 2026 in inter-state as well as intra-state, 6 transmission projects altogether have been successfully won, with a total gross annual tariff about Rs. 2,200 crores. The performance stands at about 47% cumulative as well as the ISTS goes, and including both inter-state and intra-state, total 19 projects were bid during this period, of which POWERGRID was successful in 6 projects. It also includes an intra-state project.

And a new element added to the asset class in the country, and POWERGRID was the first in securing this project, that is the Synchronous Condenser, the first of its kind in the country itself. So, POWERGRID's maiden foray, I should say, into the new asset class, a 400 kV level system bays are also associated with it.

Two such Synchronous Condensers in Fatehgarh II, and this is expected to improve the system strength, that is the short-circuit ratio, reactive power support during faults, increased grid inertia, and damping of the low-frequency oscillations, which are the characteristics of the Synchronous Condenser. So, all these benefits would be accruing once this system is in position, so as to bring better integration of the RE into the grid.

Total outlook for the sector, the value in terms of Rs. 1.75 lakh crore, which are the works in hand for POWERGRID, which includes both TBCB and RTM and others. The bidding pipeline is also very strong in terms of Rs. 1.19 lakh crore, and the long-term outlook is also very secure, about more than Rs. 15 lakh crore, which is there.

Getting into the details of each of this, the Rs. 1.75 lakh crore which work in hand, the TBCB amounts naturally having a lion's share, about Rs. 1.46 lakh crores. RTM stands about Rs. 25,000 crore, and the other business, smart metering, data center, and BESS, all of that include about Rs. 4,200 crore. Summing up to a total works in hand about Rs. 1.75 lakh crore, of which Rs. 50,000 crore is CWIP.

Bidding pipeline, under bidding, Rs. 73,875 crore, and which are to be floated are about Rs. 45,000 crore, with total projects which are to be under bidding in the pipeline about Rs. 1.19 lakh crore. And the major projects which are there on the system are the Rajasthan Barmer complex HVDC, Jam Khambhaliya-Jamnagar-Lakadia project, the ERES Nawada-Durgapur, the pump storage associated transmission system, Lakadia and Jam Khambhalia-Jamnagar system, Bikaner Rajasthan. So, all these things put together, for Rs. 1.19 lakh crore available in the market.

The strategic drivers powering up the transmission system investment cycle, as you are aware, the plans of the CEA and the Ministry, the National Electricity Plan, the anchor program of 900 plus gigawatt by 2035-'36, Rs. 7.9 lakh crore, and the hydro potential in the northeast portion of Brahmaputra Basin, about Rs. 6.4 lakh crores. and the data centers emerging to be one of the strongest intake for the transmission systems to evolve, about 71 GW.

Added to that, the One Sun, One World, One Grid, this also getting active traction in terms of the increasing challenges owing to Hormuz, so the need for integration is much more visible now. So, we expect that the neighbouring countries get associated in strengthening the grid beyond the borders.

POWERGRID has signed a loan agreement with JBIC, signed a green loan agreement of JPY80 billion, riding on the subsidiary towards hedging which the Government of India has announced.

And robust collections continue to be there in the sector, with the billing standing at about Rs. 10,963 crore, and the realization about 104%, that is Rs. 11,404 crore. A comparison with the previous quarter and the current quarter visibly indicates that the number of receivable days come down from 19.41 to about 12 days.

The financial performance: On the consolidated front, which I will be focusing upon, the transmission charges, there's a 3% increase from Rs. 10,620 crore to Rs. 10,905 crore, and the total income from Rs. 11,444 crore to Rs. 11,697 crore. The PAT stands at about Rs. 3,598 crore compared to Rs. 3,631 crore of the previous quarter.

And I would like to say over here that the total increase in the transmission charges, that's about Rs. 790 crore owing to the new assets which have been commissioned. You need to appreciate that we are under the regulatory tariff regime which the major of the assets continue to be there. So, the regulatory characteristics or the trajectory, I should say, has a revenue reduction in terms of the depreciation and interest, which are but natural in the regulated regime, about Rs. 330 crore, and Rs. 230 crore is owing to the interest because of the difference between the petitions filed and the orders issued by the regulator.

So, this amounts to about Rs. 560 crore was the downside owing to the regulatory nature of revenue. While the transmission charges continue to boost forward and move forward, the regulatory characteristic of the assets class which we have owned has an impact on the financial figures over here. So while the effective PAT would have been plus Rs. 247 crore, but for the regulatory characteristic, it stands about minus Rs. 33 crores, a reduction of about 1%. The standalone financial figures also reflect the similar kind of a trend over here.

The financial performance continues to be strong in terms of the gross fixed assets continue to move upwards from Rs. 2,92,446 crore to Rs. 3,25,671 crore. The capital work in progress from Rs. 41,610 crore to Rs. 50,419 crore. And the increase in debt, an obvious indication of the growth path of the company. The net worth improving from Rs. 96,482 crore to Rs. 1,04,028 crore. And the ratios accordingly owing to the increased net worth having an impact of earnings per share standing at 3.87, and book value per share about 111.85.

Other key information: The income from previous periods, Q1 there was plus Rs. 8 crore and Q1 of '27 is Rs. minus 22 crore. The interest in the differential tariff which I was saying so was from Rs. 257 crore stands at Rs. 22 crore. Interest from subsidiaries continue to be up, and the incentive as a consolidated figure is also growing.

The dividend from the JV and subsidiaries is less owing to the status of held for sale of Torrent, Sikkim Power and Parbati Koldam, so the figures reflect the situation over there. And CSR expenses continue to be steady. All the other ratios including the equity in TBCB and equity in

TBCB both in operation and construction continue to improve owing to the nature of projects what POWERGRID is establishing.

On the consultancy and telecom front, the Q1 of FY27 stands at Rs. 252 crore and Rs. 391 crore, respectively. And on the telecom front, the connectivity to Andaman and Nicobar has also been provided by POWERGRID 's subsidiary, that is PowerTel. The first international long-distance communication established to Nepal, so adding up more business to the telecom division.

Bulk order from NIC and NKN project continue to move it forward. 100% backbone availability is the hallmark of the telecom systems. On the consultancy front, the domestic front we had 16 orders and on the international 3 orders, and the country footprint is about 25 countries what the consultancy footprint stands.

On the sustained commitment, pleased to inform that the target set for 2025 has been already achieved in 2025 as far as the 50% electricity from RE is achieved. And the other targets in terms of achieving zero waste to landfill, more than 90% achieved and we are close to achieving that by 2030, which the target is set.

Becoming the net water positive is also having encouraging results with more than 50% achieved, and we should be able to achieve much ahead of the target. Becoming net zero, the target standing at 2047, 20% reduction already achieved and we are inching forward to that date.

On the accolades and recognitions, pleased to inform that POWERGRID has been awarded owing to the initiative under the CSR scheme Vidyalakshmi Scholarship Scheme which POWERGRID initiated, and POWERGRID has also been conferred with the McKeown Award. And also, the PowerTel has been recognized by the NIXI for its Maximum Traffic User Award. And on the industry front, Technology and Innovation Award, and FICCI DE&I award.

Thank you. Thank you for the patient hearing.

Moderator: Ladies and gentlemen, we will now begin the question-and-answer session. The first question is from the line of Prasad. Please announce your company name and go ahead with your question. Prasad, please accept the prompt and proceed with your question. Since there is no response, we'll move on to the next question, which is from the line of Apoorva Bahadur. Please announce your company name and go ahead with your question.

Apoorva Bahadur: Hi, sir. I hope I am audible. This is Apoorva from IIFL Capital. Thank you for the opportunity. Sir, you touched upon this on the drag which is coming from decline in depreciation, normative depreciation, as well as some regulatory differences. Would be helpful if you can quantify this drag in depreciation and its impact on revenue. How much would that be for this quarter?

B. Vamsi Rama Mohan: For Q1, depreciation and interest, which stands about Rs. 330 crore and owing to the interest because of the differential between our filing and also the CERC order date, that stands about Rs. 230 crore. So, it would be about Rs. 560 crore the drag on account of the regulatory characteristic.

Apoorva Bahadur: Okay, okay, sir. And how do we see this, sir, going ahead, especially because I think depreciation probably will pick a little bit more pace? I recall in the last cycle we added a lot of capacity around 2014, '15, '16 that time, so that would be completing 12 years. How should we think about that, sir?

B. Vamsi Rama Mohan: See, as you rightly said, what capitalization happened 12 years ago, that will definitely have an impact, because that is the characteristic of the industry itself, the transmission industry under the regulatory regime. So, this is the quantum of capitalization what has happened in the previous 12 years, it would have an impact. But then that is a part of the regulatory characteristic, so that should not be a cause of concern because that is the way how the revenues and the expenses are taken care of.

Apoorva Bahadur: Sir, if I'm not wrong, this should have been profit neutral, right? Because there's a reduction in revenue and a reduction in the expense as well. Yet, I believe it had an impact on profitability. Could you help us sort of reconcile that, because despite the Rs. 28,000 crore capitalization last year, profits have remained largely flat.

B. Vamsi Rama Mohan: Yes. One is that certain components, which otherwise were available in the previous quarters, some couldn't have been available. Like for example, the interest owing to the differential between the CERC orders standing at Rs. 230 crore is no longer available now. And also, the write-back on account of a particular asset class, which was there in the previous quarter, is not available over here.

So, this has an effect of bringing it down. Added to that, Sudharshan, you may add to this. The depreciation what is being accounted for as well as the tariff which is there, there would be always a differential in that.

Management: Yes sir, that also is having a marginal difference in depreciation and interest because it will not match what is the notional what has taken in the regulation. Because of that, there is a marginal impact, marginal impact. But by and large, the impact is because of the interest on differential between provisional and final.

B. Vamsi Rama Mohan: Major impact is basically interest on the differential between the CERC's orders and also the write-back on account of one of the projects last year which has happened. So, that differential is actually what is visible on the financials.

Apoorva Bahadur: Understood. And sir, just one last question. If you can share, of the Rs. 13,000 crore of equity which we have invested in the TBCB business so far for both operational and under-construction projects, how much of that would have been funded by taking debt at the standalone or parent level or is it all of it is through equity itself or cash?

Management: All of it is through equity only. Internal accruals.

B. Vamsi Rama Mohan: Internal accruals. POWERGRID has a strong internal revenue mechanism, and it is capable enough to take care of the quantum of growth what we are foreseeing.

Apoorva Bahadur: Sure, sir. Understood. Thanks a lot. All the best.

B. Vamsi Rama Mohan: Thank you.

Moderator: Thank you. We take the next question from the line of Bharanidhar. Please accept the prompt and announce your company name and go ahead with your question.

Bharanidhar: Am I audible?

Moderator: Yes, please go ahead.

Bharanidhar: Great. Yes, I'm Bharanidhar from Avendus Spark. My first question is on the Rs. 7.9 lakh crores of estimated capex by 2036 by the government in the transmission space to augment non-fossil fuel-based capacity addition in the country. So, my question is, in how many years, in your opinion, you think that would be bid out?

B. Vamsi Rama Mohan: The Rs. 7.9 lakh crore?

Bharanidhar: Yes.

B. Vamsi Rama Mohan: This one, I should say that is kind of a medium part. Immediately it is standing as Rs. 1.19 lakh crore, and Rs. 7.9 lakh crore is to be immediately bid out. Based upon the traction what we are receiving, there is going to be continuous inflow of projects into the system. So, the Rs. 7.9 lakh crore would be spread across maybe another 3 years or so, because we need the systems by '35, '36. The next 3 to 4 years this will have to be spread across.

So, that the systems will have to be available in '35, '36. So, considering about 2 to 3 years of the construction period, so these projects should be visible, should be on bar in the next 3 to 4 years. But having said that, it will be by and large dependent upon the others also because transmission is an offshoot of generation.

So, the quantum of generation coming up, not only generation, understand, here it would be the data centers, the green hydrogen, these are new set of requirements where it is going to push the transmission system, not limited to merely a generator, it also has a new specific loads which are coming in terms of green hydrogen, data center, green ammonia, and we already see few of the projects already taking position in terms of the eastern and western parts of the country. So, this is going to give further boost, and it could be that much faster as well.

Bharanidhar: Understood. Related to the same thing, is inflation and other cost escalation built in this estimate by the government or is there a scope for increase in this total Rs. 7.9 lakh crore in the future?

B. Vamsi Rama Mohan: See, these are general estimates. Obviously, it would be difficult to factor in the quantum of escalations what would be happening during this period of time. So, should there be a massive escalation, it obviously would get reflected in these costs.

Bharanidhar: So, there is a scope for increase in this number. Okay. And again, related to the same Rs. 7.9 lakh crore number, just to clarify, this will also include cost of acquiring land, right? And if so, whether the new land rates according to the new guidelines by Ministry of Power, the last 1 year, 2 years, is it been incorporated or you think that will also, result in some scope increase in the cost because it may not have been included?

B. Vamsi Rama Mohan: That's quite an interesting question, I should say. You see, these guidelines which have been notified by the Government of India regarding the land compensation in terms of the right of way challenges what we have witnessed in the transmission line, few of the states, initially it was Delhi and Haryana who have adopted it.

You see recently Gujarat also adopting it, and other states following suit. So obviously, this has not been factored while working upon the estimates, and it is presently not possible to actually even factor in the quantum because that would be emerging only once the MRC rate has been finalized.

So, as we move forward, we get more clarity as to what extent of compensation would be included in these systems. It could be project-specific, depending upon the location, high urban areas and rural areas, that would have a different impact. As we move forward, we'll get more clarity on this, but these are the quantum of systems which would be coming up, keeping in view kind of the growth trajectory, achieving 900 GW non-fossil capacity by 2035-36.

Bharanidhar: Understood. So essentially, essentially even the land compensation, which can be higher, is not in this number. It can be higher. Okay. My final question is on basically the general execution delays that the transmission space is facing, including us. As it stands now, is there anything you would like to highlight on status of these reasons why delays are happening?

Meaning, is there still delays due to equipment availability? What is your view on delays in acquiring land, or labour shortage, or the entire process of finding out the land rate based on new circle rates or market rates to give compensation for right of way? So, it would be good to hear your views on the execution delays and the status.

B. Vamsi Rama Mohan: Sure. Earlier, as you recall, the timeline taken for a transmission line was about 36 to 40 months. Subsequently, there was a lot of demand that from the private parties that they would be implementing the systems in much tighter timelines, and it has gone to the extent of 18 months was the timeline given to a 765 kV double circuit line, which is quite a challenging timeline.

So, over a period of time, it has been now recognized and realized that these timelines are not practical in terms of implementing transmission systems. So now, Government of India has revisited these timelines and improved upon, which now stands about 26 to 30 months plus.

So, this is going to make sure that whatever projects are there are having adequate timeline for them to implement. So as far as the policy goes, yes, it has been recognized that transmission lines do take time in terms of implementing them.

The second part of it is the land compensation with the guidelines coming in and with the states taking forward, few of the states taking over, there will be some settling time for them to actually arrive at the mechanism for the MRC. There could be nuances in each of the state as to how they would be dealing it.

So, as and when this particular issue is overcome, I'm sure it will be that much faster rather than we finding it difficult in building up transmission systems. If these guidelines are well accepted and it's translating into reality with the compensation duly being paid to the landowner, I'm sure it would be bringing that ease in implementing of the transmission systems.

Having said that, the challenge of ROW is there, cannot be wished away. With more increased urbanization, increased other infrastructures coming into the picture, so we will have to coexist and build these systems to ensure adequate evacuation in the country.

Bharanidhar: Sure. Except if you can highlight if there is any challenge due to equipment also. That will be my last question? Thank you.

B. Vamsi Rama Mohan: Equipment supply, with the high-intensity growth in this sector, obviously the existing capacities at times have a challenge in trying to provide the supplies. And looking into the POWERGRID, POWERGRID has taken an initiative of trying to give much more visibility to the manufacturers in terms of procuring it in bulk rather than project-specific procurements.

This has given the confidence to the OEMs, so they have started establishing good quantum of capacities, which I'm sure is now reflecting in terms of better discovery of prices and also better timelines. And eventually, it is going to be doing good to the sector, so the stress on the equipment supplies which was there some time back should not be as much what it was before. So that is going to ease.

Bharanidhar: So, you're telling that the equipment supply challenge we had in high-capacity transformers or GIS substations is significantly lesser now?

B. Vamsi Rama Mohan: This will be-- Yes, it would not be as bad as what it was before because the manufacturers are also now ready to take on the additional capacity requirements. So, there is ramping up capacity in the country as well, so that is going to do a lot of good to the sector in terms of timely availability of the equipment.

Bharanidhar: And obviously because government has recently allowed few Chinese companies also to be able to bid, that will also probably ease the equipment supply starting, right?

B. Vamsi Rama Mohan: It should, it should. With more capacity, obviously more players in the field will definitely ease the situation.

Bharanidhar: Thank you so much, sir. I will join the queue.

B. Vamsi Rama Mohan: Thank you so much.

Moderator: Thank you. Participants in the interest of time and fairness to others, we request you to restrict it to two questions per participants. We take the next question from the line of Ketan Jain. Please accept the prompt, announce your company name, and go ahead with your question.

Ketan Jain: Hi, good morning, sir. My name is Ketan, I'm from Avendus Spark. So, wanted to double-check on a follow-up question from previous participant. On the difference in tariff from CERC and our filing, what is the reason behind this? Is it that CERC has not approved some of our expenses?

B. Vamsi Rama Mohan: No, I think I should put some clarity over here. The trajectory of the tariff of the regulator is that they recognize the tariff towards the cost of loan, that is the cost of debt, they recognize it as depreciation, and they unwind that particular cost in 12 years. That's the nature of the tariff what the regulator gives.

After 12 years, the entire debt is supposed to be done away with, and then it's only the equity portion. So, the characteristic of the tariff in itself will fall down after 12 years because the component towards the repayment of the loan is to be addressed within that time. So that is the way how the tariff has been governed.

So that is one part, the trajectory of the tariff of the regulator. The second part of it is, as we file a petition towards the for the tariff, and if there is a delay in the issuance of the order by the regulator, then during the intervening period, there is an interest which is accrued to the company, POWERGRID, SBI MCLR plus 150 basis points is what we are entitled to receive during the period because the order has not come into position by the regulator.

So, all of that is also an additional revenue which comes into POWERGRID. As and when the orders are issued by CERC, that particular component obviously wouldn't exist. Such component was significantly available for us in Q1 in the previous year.

And as the year progressed, the orders started being issued by the regulator, so that particular component dwindled. So, presently, that component is not significant, so you find a variance between the Q1 of the previous year and Q1 of the current year to the extent of Rs. 230 crore for the Q1 of '26 and '27.

So, this is the nature of the regulatory regime which we are bound with. There is no other concern in terms of regulator not allowing any tariff and all, absolutely there's no such issue. The time taken by the regulator, because he's also stressed with a good number of petitions, and he has a cycle to dispose them off, but during that period, he makes sure that the developer is not at loss. So, there is a component of interest which is accrued to the developer, in this case as what I was saying Rs. 230 crore was the quantum which was available to us in Q1 last year. But as the year progressed, CERC started giving the orders, because their cycle will have to come through, so presently that particular revenue provision is naturally not available now. We get the orders, the final orders are already on the board.

Ketan Jain: Understood. Thanks for your elaborate answer. So, if I understand, if I have to calculate the adjusted profit, I need to add Rs. 230 crore to the Q1 FY27 profit and also adjust the base for the writing back of any liability. What was that amount, sir?

B. Vamsi Rama Mohan: Yes, how much was that amount?

Management: Rs. 33 crore.

B. Vamsi Rama Mohan: Rs. 33 crore which was available in the last quarter is not available to-- there was one provision of write-in of a particular company. KSK Mahanadi? KSK Mahanadi. That's not available.

Ketan Jain: So, to calculate the adjusted profit, I should reduce the base profit by Rs. 33 crore and increase the current profit to by Rs. 230 crore.

B. Vamsi Rama Mohan: Yes.

Ketan Jain: Yes, that's it. Those were my questions. Thank you.

Moderator: Thank you. We take the next question from the line of Atul Tiwari. Please accept the prompt, announce your company name, and go ahead with your question.

Atul Tiwari: Yes, sir. Sir, this is Atul here from J.P. Morgan. Sir, my question is on again on equipment supply status. So, especially for some equipment like transformers, the industry had seen quite a bit of increase in price rise over past few years because of a lot of ordering.

But now has the situation started to normalize and are the prices stable and are they coming down? Because we gather that a lot of capacity is being added by vendors, which you also alluded to. And does it have a scope for reducing, at least to some extent, the cost of implementing the projects?

B. Vamsi Rama Mohan: Yes. As far as the increase in capacity as the nature or the law goes, with more players, more capacity in supplies, obviously it would have it will be having a reducing impact on the both the price as well as the timelines, availability of the systems.

But having said that, the raw material, which is required for the transformers and all, that is the factor which will continue to impress upon the costing of this equipment over here. A combination of increased supplies and a combination and the raw material costs would have an eventual impact on the price line of those equipment.

So, we see that the prices are quite stabilized over here, and in the year in the days or the months to come, we should see much better progress as far as the price go. While we would want and definitely, obviously, if the price is coming down, it will have a much better impact in terms of sweetening the revenues of POWERGRID in terms of the earnings of POWERGRID will be that much sweeter, as to be hoped.

Atul Tiwari: And sir, what is the status of the award of Rajasthan Phase IV Barmer Complex HVDC project? What are the timelines here?

B. Vamsi Rama Mohan: The timelines are that these bids have been submitted, the initial offers have been submitted. They're being evaluated by the bid process coordinator. And the next steps as what the BPC will have to take will have to be announced. So, the bids have been submitted. That's the status.

Atul Tiwari: Is there a date for announcing out yet, or the date is still not out?

B. Vamsi Rama Mohan: The date is still not out. The date is known just before the date of eRA one day before it's known, so it is not known as of now.

Atul Tiwari: Okay. Thank you. Thank you.

B. Vamsi Rama Mohan: Thank you, Tiwari ji.

Moderator: Thank you. We take the next question from the line of Jinesh Karia. Please accept the prompt, announce your company name, and go ahead with your question.

Jinesh Karia: Yes, hello. Am I audible?

B. Vamsi Rama Mohan: Yes.

Jinesh Karia: Yes, thank you for the opportunity, sir. So, you have mentioned a very strong pipeline going ahead from the Brahmaputra basin RE requirement, data center, GH2 opportunity. Any thoughts on how can we see the HVDC pipeline for the next 3 to 5 years? And any thoughts on whether we can have preponement of any of the capex that we have mentioned beyond '35, any thoughts on that? That is the first question.

B. Vamsi Rama Mohan: See, as you're aware, one of the project of HVDC is already in the pipeline, and by '27, there's traction for another project to come into the pipeline over there. We look forward for that. And having said that, almost 21 HVDC projects are there depending upon the evolution of the generation and the load centers, because we need both the points for us to identify the projects.

So, the 900 GW report of CEA has about 14 HVDC projects and the Brahmaputra basin has about 6 HVDC projects. And the international HVDC projects linking Sri Lanka and Andaman and Myanmar, they also have actively under consideration.

Depending upon the evolution of the technology, the ease in availability of these systems and the costing of these systems will have an impact in the planner deciding to go towards the HVDC. To tilt towards HVDC, we need to have the availability of because they have a long gestation period, these HVDC projects, and also they have significant costs. So, the planner will have to carefully examine the availability of the these projects and their requisite timelines and accordingly plan these systems. So, there is good traction as far as the HVDC projects which are visible in the country.

Jinesh Karia: Got it, sir. So, like you mentioned cost overruns would one be one of the factors that to determine the timing and quantum of HVDC projects, any thoughts on how BESS as a system would play a role in the upcoming 5 years? Given rising side pressure from OEM capacity coming in might go down, but commodity inflation from for the OEMs' raw material can still drive up the pricing. So, any thoughts on HVDC being complemented with BESS or getting converted through BESS to some other technology? Any thoughts on that front? And just to follow up on that, what kind of equipment would we or any other transmission player would be procuring from Chinese OEMs who have received approvals from the government? So yes, those were the last two questions.

B. Vamsi Rama Mohan: Yes, multiple questions over here, I should say. The replacement of HVDC with a BESS, as I don't think so it would be exactly so in that manner. BESS has its own utility and HVDC comes with its own utility part. So, these two components in the planner planning part will be taken by the planner and CEA put together. They will be seeing because it is not a static scenario.

What we need to appreciate is that the power sector is not a static scenario, with more generation coming in different locations, more data centers, or more loads having in different positions, this is continuously dynamic in nature. So, given the situation, given the costing of these systems, BESS, HVDC, and other alternative systems, including 1,200 kV HVAC systems, all these things are actively considered before finalizing upon that particular component which will have to be taken up, which is most suitable at that point of time.

So, this the planner will evolve, and I'm sure that they are looking at it. Having said that, on the BESS front, the regulator also has recently come up with an amendment to the terms of tariff regulations, under which he's expecting that the integrated storage systems, that is the batteries or such kind of a systems, are given a provision that even the transmission developer like POWERGRID also can develop.

So, POWERGRID is also working upon this very clearly, I mean very intensely, and we have also filed petitions before the regulator after obtaining the consent from the Northern and the Western Region RPCs.

So, this is another opportunity for POWERGRID also to work into the BESS storage systems under the regulatory portion, that is under section 62 of the Electricity Act. So, we are working on that as well, but this largely depends upon the traction what is being given by the other stakeholders.

Jinesh Karia: Thanks, and just if you could just follow up on the Chinese OEMs, the equipment that we plan to purchase, the kind of equipment which we plan to purchase from the Chinese OEMs who have received approvals.

B. Vamsi Rama Mohan: See, as you're aware, with the recent notification, 4 of the companies within the country have been allowed by the Government of India. Having said that, POWERGRID continues to be in adherence to the guidelines what are notified by the Government of India from time to time, and to the extent whatever we have the options for procuring these equipment from the neighbouring countries, POWERGRID will be adhering to that.

Jinesh Karia: Got it, sir. Thank you. Thank you for patiently answering all my questions, and all the best.

B. Vamsi Rama Mohan: Thanks so much, Jinesh.

Moderator: Thank you. The next question comes from the line of Sumit Kishore. Please accept the prompt, announce your company name, and go ahead with your question.

Sumit Kishore: Thanks for the opportunity. My question is the equity investment in operational TBCB projects has gone up from Rs. 4,671 crore last year to Rs. 9,965 crore. Could you give us a sense, given TBCB is the main driver of growth, I mean what is the colour that you can provide us on the consolidated performance of TBCB in terms of revenue, EBITDA and PAT? And also give us a sense on what kind of return on the invested equity in operational TBCB projects you have been able to secure?

B. Vamsi Rama Mohan: The operational part associated in TBCB operational has moved from Rs. 4,671 to Rs. 9,965. This is the mainstay, as what you're saying, the lion's share of the projects presently are under the TBCB regime, and there is competition in terms of securing these projects. Obviously, we need to tread a path of both growth and profitability, and POWERGRID is continuing to make sure that there is both growth and profitability in its endeavours whatever we are doing. And then the returns are also, if that is the specific question, I should say returns are also well-calibrated to make sure that the investor is comfortable with those returns.

Because it's not one single project which will be determining it. It's multiple projects. Each of the project comes with its own nice piece, and after execution, the quantum and the quantum of claims which are there, all of this put together will be giving the effective returns, and POWERGRID is well safe and also making sure that all the returns are well within the interests of the shareholders.

Sumit Kishore: One request here is that because your business growth is largely driven by TBCB now, could you make a separate disclosure in terms of what the consolidated, you know, contribution from TBCB projects is to the P&L? That is the main growth driver for the company.

So, what is the consolidated revenue, consolidated EBITDA, consolidated profit for TBCB, that will help us analyse the company better. There are periodical, you know, regulatory adjustments which anyway are in a business where the pace of growth has slowed down quite considerably. But we are not able to appreciate your results, given the key underlying driver of growth, the transparency on the disclosures is not allowing us to evaluate how TBCB performance has been.

B. Vamsi Rama Mohan: I do appreciate the concern. In fact, it is an equal concern from my side as well, that you need to appreciate certain regulatory pulls or pushes actually impacts the POWERGRID 's financials. I think we will examine that, and with these kind of meets or such other platforms which are there or maybe better disclosures, we will try to make sure that this is properly reaching out to the analysts and the investors alike, so that they continue to appreciate and have confidence on the company as to how we are moving forward. We will examine that.

Management: So as per the regulator, what we have to disclose, we have already disclosed.

B. Vamsi Rama Mohan: We will examine that. We will do that. Thank you so much for that particular insight. We are also equally concerned that the true reflection of what we are performing should be there with the investors so that they can analyse us that much better. As we have seen during these discussions, the primary concern was their inability to judge that there is a regulatory drag, which is but very natural and nothing much cause of concern, as what is happening there, which I've already explained in my previous statements.

Sumit Kishore: Just one more question. Given the nature of capacity addition is more leaning towards solar, and could you give us a sense of, are there any major transmission lines of POWERGRID which are grossly underutilized at the moment because renewable projects have not come up, and POWERGRID transmission lines have got commissioned? And in those cases, are you facing any challenges in terms of, you know, both operationally and recovering your dues from customers?

B. Vamsi Rama Mohan: Okay. I should say the extent of the transmission charges of POWERGRID are not governed by the power flow. So, it is not that only power flows POWERGRID starts getting its revenue. So, meaning that it is quite safe that once we commission the asset, the revenue starts flowing. Whatever the mechanisms what the regulator has identified, so there are provisions where we continue to get our tariff.

So, my tariff is not rupees per megawatt-hour, it is rupees per annum. So, be rest assured that the revenue is not linked to the generation. But having said that, definitely it is a cause of concern in case if the generator has not come on time, the load is not there on time. So, the picture we bifurcate two parts.

One part is that the systems which are built under the regulatory tariff regime, that is the RTM mode, we need to go to the regulator and get the clearance for the deemed DOCO status. So, we have a good amount of revenues which will also flow as and when the regulator gives the orders. So that revenue also will start accruing now. So, it's to the extent of, what is that amount?

Management: Rs. 300 crore.

B. Vamsi Rama Mohan: Rs. 300 crore of revenue. So, these are these are regulatory, so as and when the regulatory regulator starts hearing these petitions, that revenue also will start accruing. And as far as TBCB goes, there is no such need to go to the regulator, and it is considered as deemed DOCO after a specified period, so the revenue starts flowing over there. So, the generation not coming or being underutilized will not have an impact on the revenues of and the earnings of POWERGRID.

Sumit Kishore: No. Thank you so much.

B. Vamsi Rama Mohan: Thank you, Sumit.

Moderator: Thank you. We take the next question from the line of Satyadeep. Please accept the prompt, announce your company name, and go ahead with your question.

Satyadeep Jain: Hi. This is Satyadeep Jain from Ambit Capital. First question on the in the Slide you mentioned new awards which total Rs. 2,200 crores of annual revenues. Maybe can you share corresponding NCT capex estimate for the new awards this year so far?

B. Vamsi Rama Mohan: I think we can get that separately if you are looking into the NCT part. I can get you, but intra-state, that would not be available, the intra-state part of it. But NCT is not definitely a guidance factor for us to get the tariff over there. We can definitely do share that. I can take the detail and somebody will reach out.

Satyadeep Jain: Okay, because just trying to correlate Rs. 2,200 crores annual revenue seems large, given typically historically revenue by gross block numbers. Just I'll maybe take it offline on the NCT cost estimate. Also, the CERC notification back in March had suggested that, and which was also one of the things you noted on regulated ROE on transmission projects …. sorry Not Transmission, BESS projects. BESS is also now part of transmission elements. So, when do you realistically expect to get some BESS projects awarded to you on regulated return basis? Is there any visibility you have that you expect some sizable work in hand from that?

B. Vamsi Rama Mohan: Yes. With the regulator coming out first with that regulation, the amendment which you are stating so, so we have already had discussions with the concerned RPCs at both at the Northern Region and the Western Region, and having their clearances, we moved forward and we submitted our petitions are also filed before the regulator. So, we have to understand any new system which is coming, there will be a lot of challenges in trying to do it.

There will be some settling time for this particular concept. The battery is not considered as transmission element, as what you are saying, it is considered as that element whoever is doing it. If the generator is doing it, it's considered as a generation element. Where the transmission, it's a transmission element. But this regulation has actually allowed a transmission company to get into the integrated storage business, that is battery included.

So, POWERGRID has already taken initial actions, and we have moved very fast in terms of about a couple of months, it has taken 2 to 3 months after the regulation where we could also reach out to the stakeholders in the RPCs and also then file the petition before the regulator. Having said that, we will have to await the regulator's position what he would like to look into it, and the other stakeholders. Then it will mature.

Once it is so, we will obviously come forward and let you know what the status is. But the present status is we have already moved forward. We have done all the groundwork, all the homework is done, and we already filed the petitions. So, just this is as per the procedure of the regulation itself. As per the regulation, we will have to move in this manner. So, we have already done all of that.

Satyadeep Jain: Okay. So just one quick question on the profitability for this quarter. So, previous participant also alluded, you mentioned there was interest accrued while you're waiting for tariff of about Rs. 200 crores. Now that you've got the tariff, it seems I'm not sure on a Y-o-Y basis that should impact your profitability comparison too much, but there is some forex impact also. Just wanted to see, are you able to pass that on?

And because we're not able to see PAT growth, does that otherwise mean that the TBCB projects you commissioned, which is also what the previous participant was asking, that in the first year you don't have much PAT from the entire TBCB projects you commissioned in the last year?

Just trying to understand the profitability bridge better. Interest accrued, I know till the tariff is approved, but now tariff is approved, I don't know if that should have any impact on Y-o-Y comparison?

B. Vamsi Rama Mohan: The tariff continues to accrue the entire year after the CERC order comes over there. But until then, there is a revenue stream which comes owing to the interest because of the differential between the DOCO and the CERC order. That is the reason there is an upside. Obviously, when we compare with that upside with any other figure, there would be a difference. That is what is visible to the extent of about Rs. 230 crore.

On the capitalization which has occurred, the transmission charges should have gone up to Rs. 788 crore, as far as the earnings go, on the top line should have gone by Rs. 788 crore, owing to the transmission lines which have been commissioned, and correspondingly, the PAT should have been about Rs. 247 crore also that should have moved up. But for the regulatory drag, which is an inherent and a natural way how the regulator's assets all these years which is moving, that is visible here, which is actually bringing it down to the numbers what you're seeing. Otherwise, the transmission lines have increased by Rs. 788 crores over here in this quarter.

Satyadeep Jain: You're saying Rs. 247 crore additional PAT from all the TBCB projects commissioned in the last one year, is that what you're saying?

B. Vamsi Rama Mohan: Not limited to TBCB. The combination of both TBCB and the trajectory of the RTM projects put together, with the lion's share being that of the TBCB, yes.

Satyadeep Jain: Okay, so in the FX losses that you had in the regulatory account, what is, are you able to pass that on? Is that also one-off or there was some pass through?

B. Vamsi Rama Mohan: Pass through. Can be passed. It's well taken care of because the regulated regime has that particular comfort which provides to the developers.

Satyadeep Jain: Got it. Thank you so much.

Moderator: Thank you. We take the next question from the line of Dhruv. Please accept the prompt, announce your company name, and go ahead with your question.

Dhruv: Hi, sir. Thank you so much. Dhruv from HDFC MF. So, first question, we've started well with Rs. 5,000 crore capitalization in 1Q. Is there scope for a meaningful upside to the Rs. 30,000 crore capitalization guidance for the year? To some degree, if you can help us.

B. Vamsi Rama Mohan: Yes. The transmission systems are not coming, unlike other businesses which have a cycle of every quarter or every year, the transmission systems do have a cycle based upon the timeline given for implementation over there, taking into account the ROW challenges. So, glad to inform as I was stating in my initial statements also, the quantum of capitalization which has happened in the Q1 stands about Rs. 5,277 crore.

And we are also looking for good number of projects, that is the Koppal, Gadag and the Bidar-Maheshwaram, these projects also will be on par, apart from other projects which we are implementing there. So, as we move forward, the projects come into capitalization, and I'm sure that this number would be that much steadier and improve.

Dhruv: Sure, sir. So, the second thing is, I was trying to do a consol minus standalone, trying to imply the TBCB numbers largely. And if I look at the gross block increase, difference between consol and gross block standalone, the gross block increase in a Y-o-Y basis is about 67%. So 1Q this year, 1Q last year. But the increase in depreciation, the same differential increase in depreciation, is only 27%.

I'm just trying to understand why this gap? Is this because most of the incremental TBCB projects are coming under lease accounting method and hence there is no depreciation associated with that? And if that's the case, does it change the way PAT gets reported for TBCB -- I mean reported PAT for TBCB moves under the lease accounting method versus your normalized accounting method?

Management: Yes, lease method only we are following, sir, wherein the depreciation will not come, it will be taken as amortization of the lease. So, that is the reason why comparing the depreciation component in TBCB will not be commensurate with what is the capitalization, because capitalization, out of capitalization, lease receivables are also there, which are in book. So, for that, the depreciation component will not be there because that is treated as leased.

Dhruv: Got it. So, does it in any sense have an implication how typically we think of PAT for a TBCB project versus how it moves in a lease accounting method in the say first 3, 4 years?

Management: No, even with this accounting method, the PAT will not have any impact, the difference between either I go through the PPE method or to the lease. PAT will not have an impact.

Dhruv: Got it, sure. And sir, last question is, these regulatory adjustments that you mentioned about, which is happening in the standalone, the reduction of depreciation resulting to reduction of revenue, we understand this has no this is a regulatory process.

But probably just to give a better understanding, if this is having any implication of PAT on the PAT number, if you can probably help us understand what is the nominal or normative loan that you have in your regulatory accounts versus what is the actual loan which is sitting in the standalone assets on the operating transmission assets?

Because if there is any meaningful gap, that would probably indicate that there will be some drag because of this regulatory adjustment, and if there's no gap, then probably the market understands that there is no implication of this. Basically, the difference between the normative debt and the actual debt on the operating regulated assets.

B. Vamsi Rama Mohan: I will check this back and get back to you, Dhruv. Should that be fine?

Dhruv: Yes, sure, sir. Great. Thank you so much, sir, and all the best.

B. Vamsi Rama Mohan: I mean, difference would be there, but I'll let you know.

Dhruv: Thank you.

Moderator: Thank you. We take the next question from the line of Mohit Pandey. Please accept the prompt, announce your company name, and go ahead with your question.

Mohit Pandey: Yes, good afternoon, sir. Sir, my question is on grid strengthening projects. So, I understand there will be incremental projects for strengthening the existing grid as renewables penetration increases, for example, for adding energy. So, in cases where we already have, we are the owners of the assets, will those strengthening projects come to us on regulated mode or will they typically be via TBCB? And whether these projects are already a part of the Rs. 7.9 lakh crore pipeline? That would be the first question.

B. Vamsi Rama Mohan: All projects which have to come are obviously in the pipeline only, whether it is a grid strengthening scheme or a generation associated scheme, all of them are in one particular bracket. And as far as the existing systems, substations what we have, should there be any extensions which will have to be done there, this is taken care by the NCT.

They look forward to the best way of implementing it, and at times it is given to the regulated entity who is already there, or the entity who is already owning that asset class over there, so he is given the opportunity to undertake this under the RTM. And sometimes we see that it is also given under the bidding route, which is a combination of both these things. There's no specific rule as to how it happens, we have seen both these things happening. It's no specific way.

Mohit Pandey: Understood, sir. Sir, and on the One Sun, One World, One Grid, when do we realistically see projects or any sense on that?

B. Vamsi Rama Mohan: Obviously, we need to, as we have evolved from a state to a region and region to a country, so the more we are integrated, the better we are in terms of utilizing the resources that much more effectively. So going beyond the country, it does have an additional component to tide over. We need to bridge that gap with the diplomatic relations with that country. If that is done, this would be one of the finest ways in terms of integrating the, because the telecom network has already been integrated, as you see the entire world is now under one internet.

So eventually, as we move forward, this should be the answer so that the ups and downs which are there in a typical sector are well taken care of, and it should move forward, this particular concept of One Sun, One World and One Grid. One Nation One Grid, One Frequency, POWERGRID has already achieved that particular objective, and this would be the next extension what we need to reach out.

So, the moment one or two countries we are able to integrate, which other countries are doing elsewhere in the world, so we are going to stitch this particular network across the world. It would be in the interest of the mankind, I should say, if we are getting through this.

Mohit Pandey: Okay, sir. Thank you so much and wish you all the best.

B. Vamsi Rama Mohan: Thank you so much, Mohit.

Moderator: Thank you. Ladies and gentlemen, with that we conclude the question-and-answer session. I now hand the conference over to Mr. Mohit Kumar from ICICI Securities Limited for closing comments.

Mohit Kumar: Thanks to management for the detailed presentation. We would like to thank the management team for giving us an opportunity to host the call. Sir, would you like to make any closing remarks?

B. Vamsi Rama Mohan: Yes, yes. Thank you so much, Mohit you and your team, for this particular webinar being conducted so smoothly. And importantly, thanks to all the participants, including the investors and analysts, who continue to repose confidence in POWERGRID. And the Q1 results, obviously, they do have these kinds of queries which are there.

We are glad to actually unveil the challenges as far as the regulatory regime looks in terms of the drag what has happened under the regulatory regime. I'm sure that these clarifications would put them in a better perspective in trying to understand what POWERGRID's growth trajectory is. And thank you once again for your time and continued support. We look forward to gain your confidence continuously in this sector. Thank you so much.

Moderator: Thank you. On behalf of ICICI Securities Limited and Power Grid Corporation of India, that concludes this conference. Thank you for joining us, and you may now disconnect.

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