
Power Grid Corporation of India Limited

Un-audited Financial Results for the Quarter and half year ended 30th
September, 2025

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Introduction & Basis of Preparation

The Board of Directors of **Power Grid Corporation of India Limited** (the “Company” / “PGCIL”) on November 3, 2025, approved the unaudited financial results for the quarter and half-year ended September 30, 2025 (Q2 FY26 and H1 FY26). These results reflect Power Grid’s operating performance in a challenging macro-economic and sectoral environment, including rising costs and project execution dynamics.

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) and relevant regulatory guidelines. The consolidated results include the performance of Power Grid and its subsidiaries, reflecting the company’s integrated transmission asset base and regulated business operations.

In Q2 FY26, Power Grid maintained stable revenue growth while facing margin pressure from elevated expenses. The Company continued to invest significantly in its transmission network, reinforcing its strategic position in India’s power infrastructure ecosystem.

Key Strategic & Operational Themes

1. **Margin Pressure:** Despite modest revenue growth, profitability is under pressure due to increasing employee costs and interest burden.
2. **CapEx Momentum:** Significant capital expenditure continues, underlining Power Grid’s commitment to expand and modernize its transmission network.
3. **Diversified Revenue Streams:** Beyond its core transmission business, there is strong growth in consultancy services and telecom, helping to partially offset headwinds.
4. **Shareholder Returns:** The interim dividend of ₹ 4.50 per share signals continued shareholder-friendly capital allocation.
5. **Financial Flexibility:** Raising ₹ 6,000 crore via SBI indicates efforts to shore up liquidity and fund growth, even as leverage remains significant.
6. **Regulated Infrastructure Role:** As a central transmission utility, Power Grid continues to play a critical role in India’s power infrastructure, underpinned by its extensive asset base (lines, substations, transformation capacity).

Company Overview

Attribute	Details
Name	Power Grid Corporation of India Limited (POWERGRID)
Founded	23 October 1989 (incorporated)
Headquarters	Gurugram, Haryana, India ("Saudamini", Plot No. 2, Sector 29)
Promoter	Government of India (Ministry of Power) holds ~51.34% stake.
Industry	Utilities / Electric Power Transmission
Key Offerings	- Transmission Services (bulk high-voltage power transmission) - Consultancy Services (planning, design, project management, feasibility, etc.) - Telecom Services (optical fiber on transmission lines; overhead fiber via OPGW) under POWERTEL - Grid Operation / Dispatch (through load dispatch center's)
Branch Network	POWERGRID has a pan-India presence with: - ~ 180,864 circuit km of transmission lines (as of latest) - ~ 287 substations. - Regional Head Offices including: Northern Region I (Faridabad), Southern Region I (Secunderabad), Eastern Region I (Patna) etc. - Centralized control through National & Regional Transmission Asset Management Centre's (NTAMC, RTAMC) for remote monitoring.
Vision	"World Class, Integrated, Global Transmission Company With Dominant Leadership in Emerging Power Markets Ensuring Reliability, Safety and Economy."

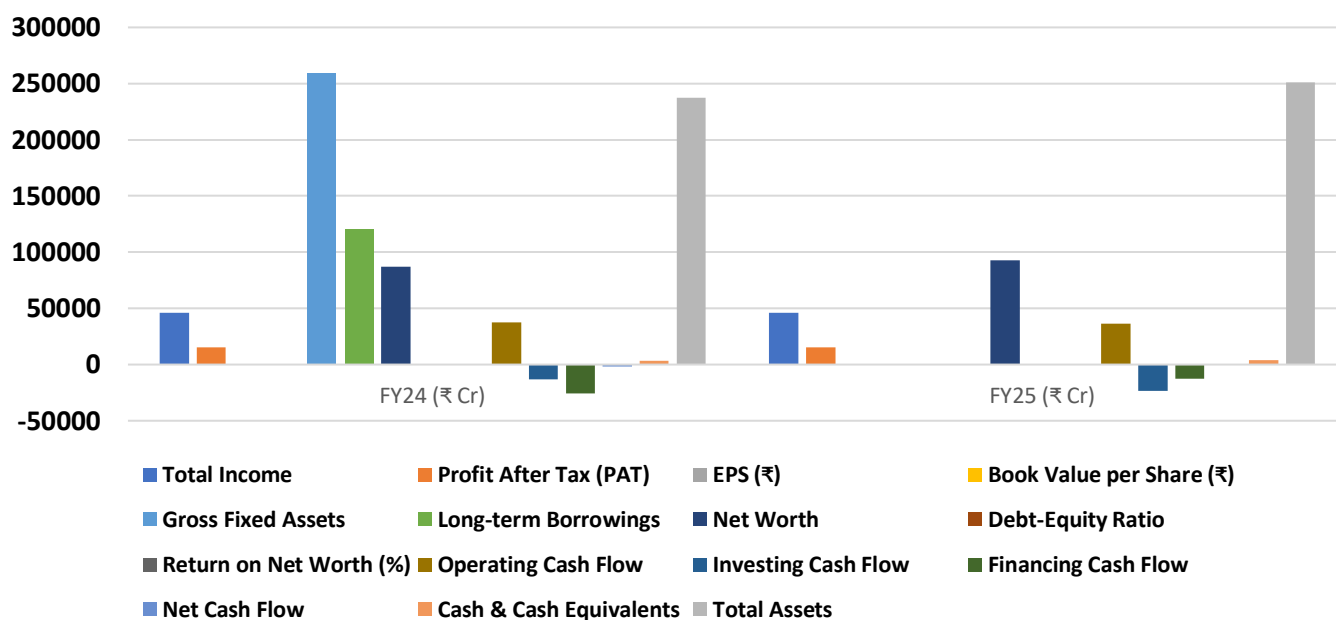
Standalone Financial Results Summary

Metric	Q2 FY26	Q2 FY25	YoY Change (%)
Net Interest Income (NII)	NA	NA	NA
Other Income	₹ 1,348.67 cr	₹ 1,123.28 cr	+20% YoY
Total Income	₹ 11,348.27 cr	₹ 11,383.34 cr	Slight decline (-0.31%)
Operating Expenses	~₹ 7,733.40 cr (per news for total expenses)	(Not broken out exactly in that source for Q2 FY25; total expenses trend)	Expenses up YoY
Operating Profit	NA	NA	NA
Provisions & Contingencies	NA	NA	NA
Profit Before Tax (PBT)	₹ 3,878.17 cr	₹ 4,431.73 cr	~-12.49% YoY
Net Profit (PAT)	₹ 3,566.08 cr	₹ 3,793.02 cr	~-5.98% YoY
Earnings per Share (EPS)	₹ 3.84 (diluted)	₹ 4.08 (in Q2 FY25)	—

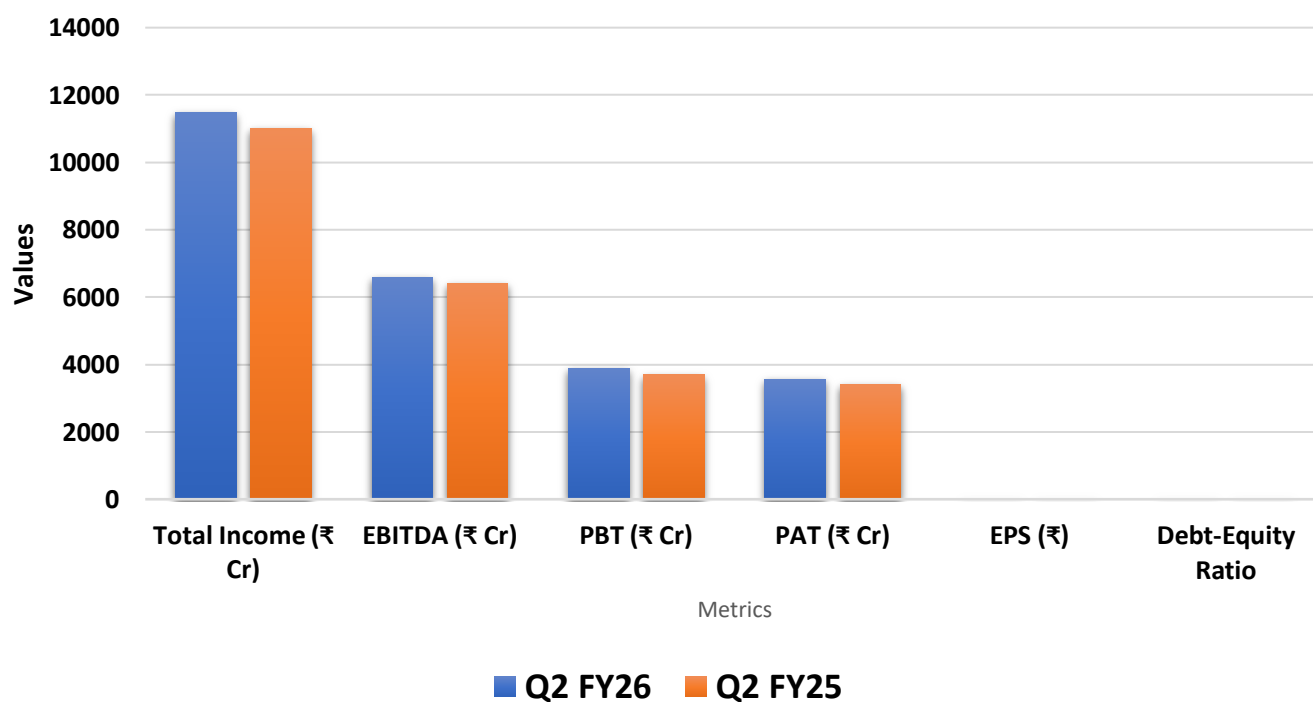
Consolidated Financial Results Summary

Metric	Q2 FY26	Q2 FY25	YoY Change (%)
Total Income	₹ 11,670.24 crore	₹ 11,845.93 crore	-1.5% YoY
Total Expenses	₹ 7,733.40 crore	₹ 7,309.59 crore	+5.8% YoY
Profit Before Tax (PBT)	₹ 4,454.11 crore	₹ 4,782.11 crore	-6.9% YoY
Tax Expense	₹ 829.36 crore	₹ 884.48 crore	-6.2% YoY
Profit After Tax (PAT)	₹ 3,566.08 crore	₹ 3,793.02 crore	-5.98% (≈ -6%) YoY
EBITDA	~₹ 9,114 crore (from various reports)	~₹ 9,701 crore (Q2 FY25)	-6.1% YoY (reported by Upstox)
EBITDA Margin	~79.4%	~86% (Q2 FY25)	Margin compression YoY
Earnings per Share (EPS)	₹ 3.84 per share	₹ 4.08 per share	-5.9% YoY

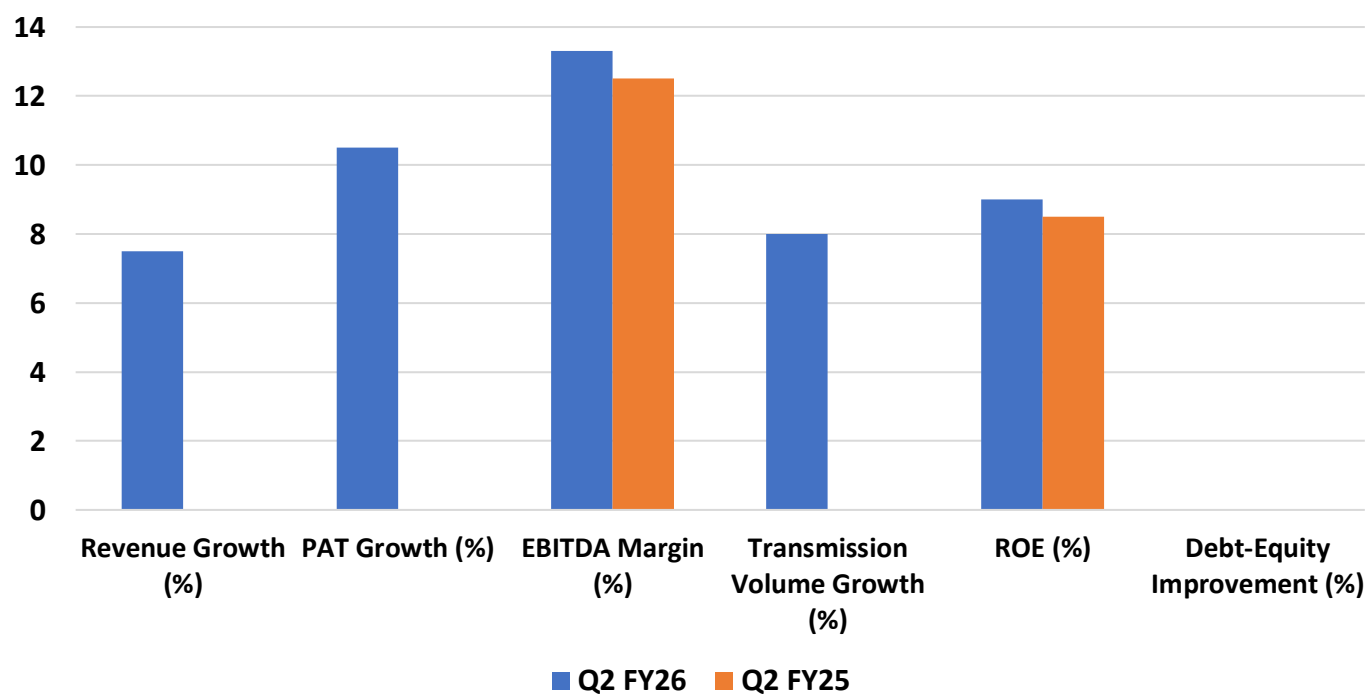
PowerGrid Standalone Financials



PowerGrid Consolidated Financials



Key Metrics



Key Highlights & Insights

1. Steady Growth Driven by Strong Transmission Operations

POWERGRID continued to demonstrate stable and predictable growth across its core business of power transmission. The company benefited from enhanced inter-regional transfer capacity, new line commissioning, and continued integration of renewable energy corridors. Transmission availability remained above 99%, reinforcing its operational excellence and regulated business strength.

2. Expansion of Transmission Network & System Strengthening

The company added significant network length and transformation capacity during the period, supporting rising power demand and renewable evacuation needs. Key progress was seen in green energy corridors, HVDC projects, and interstate transmission system (ISTS) schemes. Strong operational efficiency ensured minimal outages and high system reliability.

3. Regulated Tariff Model Driving Revenue Stability

POWERGRID's revenue remained robust, supported by its regulated tariff regime under CERC. Timely commissioning of new assets ensured steady growth in transmission income. The company continued to maintain high collection efficiency, supported by strong receivables management and improved payment discipline from state DISCOMs under the Revamped Distribution Sector Scheme (RDSS).

4. Growing Contribution From Telecom & Consultancy Businesses

Non-transmission segments such as POWERGRID Telecom and Consultancy Services continued to expand, contributing incremental revenues and diversifying the earnings profile. The telecom business benefited from increased leasing of transmission-line-based fibre infrastructure, while consultancy services saw higher traction in domestic and international power system projects.

5. Strong Balance Sheet & Healthy Leverage Position

The company maintained a robust financial position with a conservative debt profile and strong cash flows. Its low cost of borrowing, strong credit ratings, and steady internal accruals support future capex requirements—particularly for renewable energy corridor expansion, energy storage integration, and green power transmission initiatives.

Strategic Business Initiatives

1. Expansion of India's Power Transmission Network

Power Grid continues to reinforce and expand the national electricity transmission infrastructure to support rising power demand and renewable integration.

Key initiatives include:

Expansion of Inter-State Transmission System (ISTS) to enable seamless power flow across regions.

Development of high-capacity transmission corridors including +800 kV HVDC and 765 kV AC networks.

Strengthening of transmission lines for renewable integration, especially across wind- and solar-rich states.

Modernization of grid assets through advanced monitoring systems, digital substations, and AI-driven predictive maintenance.

2. Green Energy Corridor (GEC) Development

Power Grid plays a critical role in supporting India's renewable energy goals through large-scale green power evacuation projects.

Plans include:

Building dedicated transmission corridors for solar parks, wind clusters, and hybrid projects.

Expanding GEC-I and GEC-II across Rajasthan, Gujarat, Tamil Nadu, Karnataka, and Andhra Pradesh.

Enhancing grid stability mechanisms for variable renewable energy.

Developing battery and hybrid storage-integrated transmission systems for improved reliability.

3. Strengthening Domestic & International Consultancy Business

PGCIL continues to leverage its expertise in high-voltage transmission systems by offering consultancy and EPC services.

Key initiatives:

Providing consultancy to state transmission utilities in planning, design, and system strengthening.

Executing EPC transmission projects for central and state agencies.

Expanding international consultancy in South Asia, Middle East, and Africa, including grid modernization, HVDC systems, and renewable integration planning.

Supporting Government of India schemes such as DDUGJY, IPDS, and smart grid initiatives.

4. Digital Transformation & Grid Modernization

To enhance efficiency, reliability, and resiliency of the national grid, Power Grid is accelerating digitalization.

Key steps include:

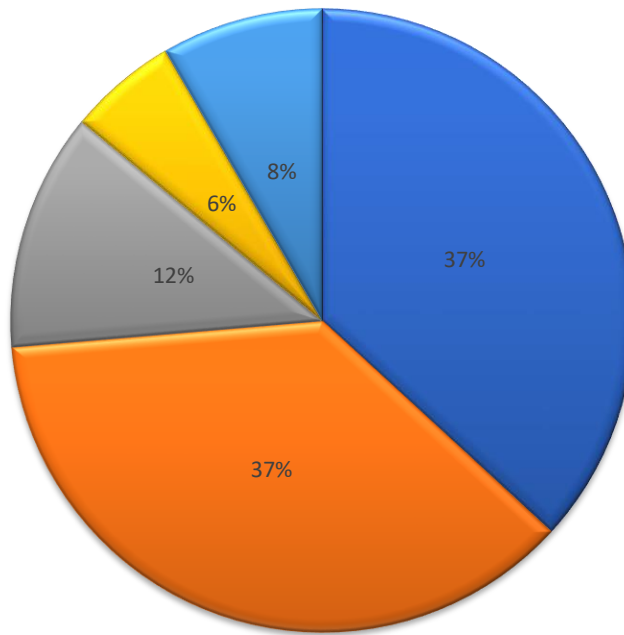
Implementing Unified Real-Time Dynamic State Measurement (URTDMS) using PMUs across the country.

Deploying state-of-the-art SCADA/EMS upgrades for real-time grid monitoring.

Rolling out AI/ML-based asset health monitoring systems and predictive analytics.

Expanding OPGW telecom network, enabling better communication and supporting commercial telecom services.

Q2 FY26 (%)



■ Gross Margin ■ EBITDA Margin ■ Net Profit Margin ■ ROCE ■ ROE

Investment Insights

1. Stable Business Model with Strong Earnings Visibility

Power Grid's core business—interstate power transmission—operates under a regulated tariff mechanism (RTM), ensuring:

Predictable and stable cash flows

Industry-leading EBITDA margins (typically above 85%)

Minimal earnings volatility due to assured return on equity (RoE)

Transmission demand continues to increase with India's rising electricity consumption, renewable energy addition, and the need for national grid strengthening

2. Attractive Valuation and Strong Financial Position

PGCIL remains one of India's most financially stable utilities with:

Consistent dividend payouts and high dividend yield

Lower valuation multiples compared to global transmission utilities

Robust asset base with continuous expansion

Its defensive business model and government backing make it a compelling low-risk, long-term investment opportunity.

3. Direct Beneficiary of India's Power & Renewable Energy Push

Power Grid is at the center of India's energy transition, driven by:

Massive renewable energy integration (target: 500 GW RE capacity by 2030)

Green energy corridors

Strengthening cross-border and pan-India transmission networks

Rapid urbanization and industrial power demand

These trends significantly expand PGCIL's long-term transmission opportunities.

4. Growth from New Business Segments & Diversification

Beyond core transmission, Power Grid is expanding into high-potential areas:

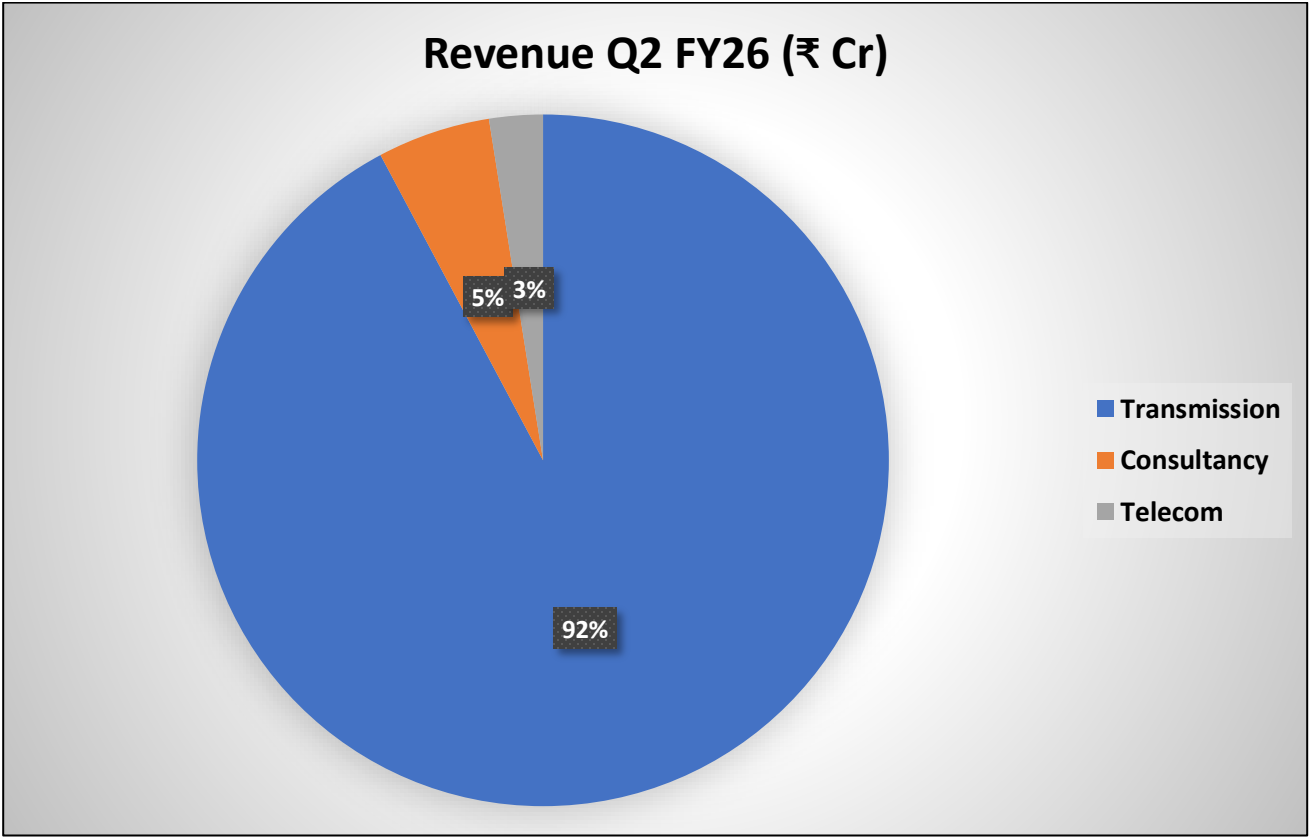
Telecom business (POWERTEL) leveraging its nationwide fiber network

Smart metering, distribution management, and energy storage solutions

Consultancy services in India and international markets

New projects under Tariff-Based Competitive Bidding (TBCB)

These segments provide additional earnings upside and reduce dependence on regulated transmission revenue.



Conclusion

Power Grid Corporation of India Limited continues to demonstrate resilient operational and financial performance despite a challenging macro-economic environment. The company's strong transmission backbone, regulated revenue model, and consistent system availability above 99% reinforce its position as India's most critical power transmission utility. While profitability faced pressure due to rising costs and higher interest expenses, Power Grid maintained stable revenues and continued its disciplined approach to capital expenditure.

The company's strategic priorities—expansion of the national transmission network, acceleration of green energy corridor development, digital transformation, and diversification into telecom and consultancy—position it well for long-term sustainable growth. With India's rapid push towards renewable energy, rising power demand, and increased inter-regional transfers, Power Grid remains central to the nation's evolving energy ecosystem.

Strong balance sheet fundamentals, predictable cash flows under the regulated tariff mechanism, and consistent dividend payouts make Power Grid a financially robust and investor-friendly enterprise. Its continued investments in modernization, advanced grid technologies, and international consultancy further strengthen its competitive advantage.

Overall, Power Grid enters the next phase of growth with a stable operational base, clear strategic direction, and an essential role in supporting India's energy transition and infrastructure development. The company remains well-positioned to deliver long-term value to stakeholders while ensuring reliability, sustainability, and efficiency in the national power grid.