

Power Grid Infrastructure Investment Trust (PGInvIT)

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In News: The Power Grid Corporation of India (PGCIL) recently launched the Power Grid Infrastructure Investment Fund, an infrastructure investment trust (InvIT) (PGInvIT).

About Power Grid Infrastructure Investment Trust (PGInvIT)

- It's the first infrastructure investment trust (InvIT) initiated by a government agency.
- For the public question, it has set a price range of Rs 99-100 per device.
- The InvIT will collect Rs 4993 crore through a new issuance, while PGCIL will sell existing units for Rs 2742 crore through an offer for sale (OFS)
- In India, it owns, constructs, operates, maintains, and invests in power transmission properties.
- As an InvIT, it is registered with the Securities and Exchange Board of India (SEBI).
- The BSE Limited (BSE) and the National Stock Exchange of India Limited are proposing to list the POWERGRID InvIT Units (NSE).
- After IRB InvIT and India Grid Trust, it will be the third InvIT to be listed in India.

The Importance of Power Grid Infrastructure Investment Trust (PGInvIT)

- The net proceeds will be used to make loans to the original portfolio assets for debt reduction or prepayment.
- The government has approved Power Grid to use the InvIT route to monetise its other TBCB subsidiaries that are under construction or will be acquired in the future."
- It will assist PGCIL in monetising properties with a

gross block value of more than Rs 7,000 crore in the first lot.

- PGCIL will use the proceeds from the asset monetisation to fund new and under-construction projects.

Power Grid Corporation of India (PGCIL)

- It is a Central Public Sector Enterprise called “Maharatna.”
- It is the country’s largest power transmission company.
- It works on power transmission projects all over India, planning, developing, funding, building, running, and sustaining them.