

POWER GRID CORPORATION OF INDIA LTD. (A Govt. of India Enterprise)  
B-9 QUTAB INSTITUTIONAL AREA, KATWARIA SARAI, NEW DELHI-110016.  
AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2012

(₹ in lakhs)

Part - I	Stand Alone					Consolidated	
	Quarter ended on			Year ended on		Year ended on	
	31.03.2012	31.12.2011	31.03.2011	31.03.2012	31.03.2011	31.03.2012	31.03.2011
	(Un-audited)	(Un-audited)	(Un-audited)	(Audited)	(Audited)	(Audited)	(Audited)
<b>1. Income from Operations</b>							
a) Transmission Income	295881	233961	206354	954419	790215	982563	813780
b) Consultancy Income	9094	7340	9151	28995	29935	28470	28676
c) Telecom Income	5212	5361	5578	20119	18720	20119	18720
<b>Total income from operations</b>	<b>310187</b>	<b>246662</b>	<b>221083</b>	<b>1003533</b>	<b>838870</b>	<b>1031152</b>	<b>861176</b>
<b>2. Expenses</b>							
a) Employee benefit expenses	24005	19976	16491	84297	74589	92141	78568
b) Depreciation and amortisation expenses	71765	67923	58296	257254	219939	263739	227292
c) Transmission, Administration and Other expenses	25799	17810	23859	80998	69893	82646	71452
<b>Total Expenses</b>	<b>121569</b>	<b>105709</b>	<b>98646</b>	<b>422549</b>	<b>364421</b>	<b>438526</b>	<b>377312</b>
<b>3. Profit from Operations before other income, finance costs, prior period adjustments and exceptional items (1-2)</b>	<b>188618</b>	<b>140953</b>	<b>122437</b>	<b>580984</b>	<b>474449</b>	<b>592626</b>	<b>483864</b>
<b>4. Other Income</b>	<b>30691</b>	<b>10958</b>	<b>37003</b>	<b>74968</b>	<b>71005</b>	<b>76206</b>	<b>66078</b>
<b>5. Profit from ordinary activities before finance costs, prior period adjustments and exceptional items (3+4)</b>	<b>219309</b>	<b>151911</b>	<b>159440</b>	<b>655952</b>	<b>545454</b>	<b>668832</b>	<b>549942</b>
<b>6. Finance costs</b>							
a) Interest & Other Charges	50989	47057	40312	185883	155665	190132	159689
b) Foreign Exchange Rate Variation (including adjustment to Borrowing Cost and net of amount recoverable from beneficiaries) : Loss/(Gain)	3137	(1103)	6591	8443	6879	8443	6887
<b>Total finance costs</b>	<b>54126</b>	<b>45954</b>	<b>46903</b>	<b>194326</b>	<b>162544</b>	<b>198575</b>	<b>166576</b>
<b>7. Profit from ordinary activities after finance costs but before prior period adjustments and exceptional items (5-6)</b>	<b>165183</b>	<b>105957</b>	<b>112537</b>	<b>461626</b>	<b>382910</b>	<b>470257</b>	<b>383366</b>
<b>8. Prior Period Adjustments : Expenses / (Income)</b>	<b>1641</b>	<b>311</b>	<b>(260)</b>	<b>1866</b>	<b>437</b>	<b>1291</b>	<b>437</b>
<b>9. Exceptional Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>10. Profit before Tax (7-8-9)</b>	<b>163542</b>	<b>105646</b>	<b>112797</b>	<b>459760</b>	<b>382473</b>	<b>468966</b>	<b>382929</b>
<b>11. Provision for Taxation</b>							
a) Current Tax (Minimum Alternate Tax)	31761	20665	19595	88851	68461	93625	71682
b) Deferred Tax	28612	4058	18090	45414	44323	45042	44056
<b>Total Provision for Taxation</b>	<b>60373</b>	<b>24723</b>	<b>37685</b>	<b>134265</b>	<b>112784</b>	<b>138667</b>	<b>115738</b>
<b>12. Net Profit after Tax (10-11)</b>	<b>103169</b>	<b>80923</b>	<b>75112</b>	<b>325495</b>	<b>269689</b>	<b>330299</b>	<b>267191</b>
<b>13. Extraordinary Items (net of tax expenses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>14. Net Profit for the period (12-13)</b>	<b>103169</b>	<b>80923</b>	<b>75112</b>	<b>325495</b>	<b>269689</b>	<b>330299</b>	<b>267191</b>
<b>15. Share of profit / (loss) of associates</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>16. Minority interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>17. Net profit after taxes, minority interest and share of profit / (loss) of associates</b>	<b>103169</b>	<b>80923</b>	<b>75112</b>	<b>325495</b>	<b>269689</b>	<b>330299</b>	<b>267191</b>
<b>18. Paid up Equity Share Capital</b>	<b>462973</b>	<b>462973</b>	<b>462973</b>	<b>462973</b>	<b>462973</b>	<b>462973</b>	<b>462973</b>
<b>19. Paid up Debt Capital</b>				<b>5175191</b>	<b>3943277</b>		
<b>20. Reserves excluding Revaluation Reserve as per balance sheet</b>				<b>1885805</b>	<b>1673727</b>	<b>1895348</b>	<b>1678787</b>
<b>21. Bonds Redemption Reserve</b>				<b>322403</b>	<b>256804</b>		
<b>22. Earnings per share (before extraordinary items)(not annualised)</b> (₹/Share of ₹10 each calculated on Profit after Tax)							
(a) Basic	2.23	1.75	1.62	7.03	6.19	7.14	6.13
(b) Diluted	2.23	1.75	1.62	7.03	6.19	7.14	6.13
<b>23. Earnings per share (after extraordinary items)(not annualised)</b> (₹/Share of ₹10 each calculated on Profit after Tax)							
(a) Basic	2.23	1.75	1.62	7.03	6.19	7.14	6.13
(b) Diluted	2.23	1.75	1.62	7.03	6.19	7.14	6.13
<b>24. Debt Equity Ratio</b>				<b>69:31</b>	<b>65:35</b>		
<b>25. Debt Service Coverage Ratio (DSCR)</b>				<b>2.25</b>	<b>2.30</b>		
<b>26. Interest Service Coverage Ratio (ISCR)</b>				<b>5.14</b>	<b>5.15</b>		

Refer accompanying notes to the financial results

Part - II		Stand Alone					Consolidated	
PARTICULARS		Quarter ended on			Year ended on		Year ended on	
		31.03.2012	31.12.2011	31.03.2011	31.03.2012	31.03.2011	31.03.2012	31.03.2011
		(Un-audited)	(Un-audited)	(Un-audited)	(Audited)	(Audited)	(Audited)	(Audited)
<b>A PARTICULARS OF SHAREHOLDING</b>								
1. Public Shareholding								
- Number of shares		1415701141	1415701141	1415701141	1415701141	1415701141	1415701141	1415701141
- Percentage of shareholding		30.58 %	30.58 %	30.58 %	30.58 %	30.58 %	30.58 %	30.58 %
2. Promoters and Promoter Group Shareholding								
(a) Pledged/ Encumbered								
Number of Shares		-	-	-	-	-	-	-
Percentage of share (as % of the total shareholding of promoter and promoter group)		-	-	-	-	-	-	-
Percentage of share (as % of the total share capital of the company)		-	-	-	-	-	-	-
(b) Non-encumbered								
Number of Shares		3214024212	3214024212	3214024212	3214024212	3214024212	3214024212	3214024212
Percentage of share (as % of the total shareholding of promoter and promoter group)		100 %	100 %	100 %	100 %	100 %	100 %	100 %
Percentage of share (as % of the total share capital of the company)		69.42 %	69.42 %	69.42 %	69.42 %	69.42 %	69.42 %	69.42 %

Particulars		Quarter ended 31.03.2012
<b>B INVESTOR COMPLAINTS</b>		
Pending at the beginning of the quarter		41
Received during the quarter		476
Disposed of during the quarter		288
Remaining unresolved at the end of the quarter		229



# STATEMENT OF ASSETS AND LIABILITIES

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	Year ended 31.03.2012 (Audited)	Year ended 31.03.2011 (Audited)	Year ended 31.03.2012 (Audited)	Year ended 31.03.2011 (Audited)
<b>I. EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
(a) Share capital	462,973	462,973	462,973	462,973
(b) Reserves and surplus	1,885,805	1,673,727	1,895,348	1,678,786
<b>Sub-total - Shareholders' funds</b>	<b>2,348,778</b>	<b>2,136,700</b>	<b>2,358,321</b>	<b>2,141,759</b>
<b>Non-current liabilities</b>				
(a) Long-term borrowings	4,911,919	3,721,584	5,000,573	3,790,465
(b) Deferred tax liabilities (Net)	160,088	114,674	159,456	114,414
(c) Deferred revenue	228,310	234,738	233,275	239,776
(d) Deferred income/(expenditure) from Foreign Currency Fluctuation(Net)	49,317	(1,159)	49,317	(1,159)
(e) Other long term liabilities	143,173	282,662	146,225	284,639
(f) Long-term provisions	42,149	31,664	44,895	34,082
<b>Sub-total - Non-current liabilities</b>	<b>5,534,956</b>	<b>4,384,163</b>	<b>5,633,741</b>	<b>4,462,217</b>
<b>Current liabilities</b>				
(a) Short-term borrowings	165,000	145,000	165,828	145,000
(b) Trade payables	20,335	19,666	23,717	23,249
(c) Other current liabilities	846,099	630,746	916,987	732,671
(d) Short-term provisions	306,440	255,882	315,405	261,324
<b>Sub-total - Current liabilities</b>	<b>1,337,874</b>	<b>1,051,294</b>	<b>1,421,937</b>	<b>1,162,244</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>9,221,608</b>	<b>7,572,157</b>	<b>9,413,999</b>	<b>7,766,220</b>
<b>II. ASSETS</b>				
<b>Non-current assets</b>				
(a) Fixed assets				
Tangible Assets	4,733,978	3,697,029	4,799,770	3,767,812
Intangible Assets	32,252	25,369	32,411	25,389
Capital Work in progress	1,549,989	1,286,463	1,624,875	1,332,653
Intangible Assets under Development	7,361	9,905	9,308	10,750
<b>Sub-total Non-current assets</b>	<b>6,323,580</b>	<b>5,018,766</b>	<b>6,466,364</b>	<b>5,136,604</b>
(b) Construction stores	1,261,004	1,074,925	1,263,677	1,074,931
(c) Non-current investments	110,119	121,401	57,386	75,712
(d) Deferred foreign currency fluctuation asset	131,667	32,897	131,667	32,897
(e) Long-term loans and advances	561,476	361,533	564,453	353,475
<b>Sub-total Non-current assets</b>	<b>8,387,846</b>	<b>6,609,522</b>	<b>8,483,547</b>	<b>6,673,619</b>
<b>Current assets</b>				
(a) Current investments	18,326	18,434	19,984	19,454
(b) Inventories	44,031	38,151	44,125	38,235
(c) Trade receivables	231,537	111,400	234,707	120,104
(d) Cash and Bank balances	233,688	368,006	311,134	480,587
(e) Short-term loans and advances	243,369	203,728	253,296	207,669
(f) Other current assets	62,811	222,916	67,206	226,552
<b>Sub-total - Current assets</b>	<b>833,762</b>	<b>962,635</b>	<b>930,452</b>	<b>1,092,601</b>
<b>TOTAL - ASSETS</b>	<b>9,221,608</b>	<b>7,572,157</b>	<b>9,413,999</b>	<b>7,766,220</b>

**Audited Segment wise Revenue, Results and Capital Employed for the year ended 31.03.2012**

(₹ in lakhs)

PARTICULARS	Stand Alone					Consolidated	
	Quarter ended on			Year ended on		Year ended on	
	31.03.2012 (Un-audited)	31.12.2011 (Un-audited)	31.03.2011 (Un-audited)	31.03.2012 (Audited)	31.03.2011 (Audited)	31.03.2012 (Audited)	31.03.2011 (Audited)
<b>A. Segment Revenue including Other Income</b>							
- Transmission	324192	234190	231254	1008432	824846	1021682	835089
- Consultancy	9601	7056	9369	29365	30335	28840	27955
- RLDCs - POSOCO Assets	-	-	(237)	-	14425	18871	25229
- ULDCs - Other Assets	1872	11012	12050	20553	21477	20553	21477
- Telecom	5854	5459	5484	21032	19161	21032	19161
<b>Total</b>	<b>341519</b>	<b>257717</b>	<b>257920</b>	<b>1079382</b>	<b>910244</b>	<b>1110978</b>	<b>928911</b>
Less: Inter Segment Revenue	641	97	(166)	881	369	3620	1657
<b>Total Revenue including Other Income</b>	<b>340878</b>	<b>257620</b>	<b>258086</b>	<b>1078501</b>	<b>909875</b>	<b>1107358</b>	<b>927254</b>
<b>B. Segment Results Profit Before Tax</b>							
- Transmission	153785	97325	96693	433759	348348	437715	348144
- Consultancy	5833	4797	5239	16336	16528	16485	15269
- RLDCs - POSOCO Assets	-	-	(905)	-	2019	5101	4195
- ULDCs - Other Assets	2212	1987	9533	5088	12236	5088	12236
- Telecom	1712	1537	2237	4577	3342	4577	3085
<b>Total Profit Before Tax</b>	<b>163542</b>	<b>105646</b>	<b>112797</b>	<b>459760</b>	<b>382473</b>	<b>468966</b>	<b>382929</b>
<b>C. Segment Capital Employed</b>							
- Transmission	7743228	7404947	6282743	7743228	6282743	7836773	6352385
- Consultancy	(171077)	(163813)	(199308)	(171077)	(199308)	(171077)	(199329)
- RLDCs - POSOCO Assets	-	-	10806	-	10806	11351	19212
- ULDCs - Other Assets	87459	83048	94010	87459	94010	87459	94010
- Telecom	29359	29061	36485	29359	36485	29359	36485
<b>Total Segment Capital Employed</b>	<b>7688969</b>	<b>7353243</b>	<b>6224736</b>	<b>7688969</b>	<b>6224736</b>	<b>7793865</b>	<b>6302763</b>

**Notes**

- Assets pertaining to 'RLDCs-POSOCO Assets' segment have been taken over by Power System Operation Corporation Ltd., a 100% subsidiary of the Company, w.e.f. 01.10.2010. Hence current year figures are nil for 'RLDCs-POSOCO Assets' segment.
- Profit of Telecom segment has been increased by the amount of inter segment revenue with a corresponding decrease in profit of Transmission segment.
- While calculating segment wise capital employed, entire deferred tax liability has been considered and included in transmission segment.
- Investment assets and income thereon are included in Transmission Segment.
- The operations of the Company are mainly carried out within the country and therefore, geographical segments are not applicable.



**The Subsidiaries and Joint Venture Companies considered in the consolidated Financial Results - FY 2011-12**

	<b>Name of the Company</b>	<b>Ownership (%)</b>
<b>Subsidiary Companies</b>		
1	Power System Operation Corporation Limited	100%
2	Nagapattinam Madhugiri Transmission Company Limited	100%
<b>Joint Venture Companies</b>		
1	Powerlinks Transmission Limited	49%
2	Torrent Power Grid Limited	26%
3	Jaypee Powergrid Limited	26%
4	Parbati Koldam Transmission company Limited	26%
5	Teestavalley Power Transmission Limited *	26%
6	North East Transmission Company Limited	26%
7	National High Power Test Laboratory Private Limited	25%
8	Energy Efficiency Services Limited	25%
All the above companies are incorporated in India.		
* Un-Audited Financial Statements		


**Notes :**

1. The audited accounts are subject to review by the Comptroller and Auditor General of India under section 619(4) of the Companies Act, 1956.
2. The Company has recognized transmission income during the year as per the following :
  - a) ₹ 193442 lakhs (previous year nil) for which provisional tariff orders have been issued by CERC allowing provisional billing of at 85%–95% of the tariff claimed;
  - b) ₹ 651680 lakhs (previous year ₹ 345731 lakhs for which final tariff orders have been issued by CERC.
  - c) ₹ 30194 lakhs (previous year ₹ 423333 lakhs) based on CERC Tariff norms applicable for the tariff block 2009-14 for which tariff orders are yet to be issued by CERC.
  - d) ₹ 46555 lakhs recognized as transmission income on account of Deferred Tax liability (Net) materialized upto 31.03.2012 as permissible under CERC regulations.
3. Effect of changes in accounting policies :
  - a) In view of option allowed by Ministry of Corporate Affairs vide its notification dated 29.12.2011 on Accounting Standard-11, the Company, during the year, has capitalized the Foreign Exchange Rate Variation (FERV) loss arising on account of settlement/restatement of long term monetary liabilities relating to depreciable capital assets. Consequently, FERV loss, which has hitherto charged to Profit & Loss Account has been adjusted in cost of related Fixed Assets/Capital work-in-progress. As a result, profit before tax for the year ended 31.03.2012 after considering the amount of FERV loss recoverable from beneficiaries as per CERC Tariff Regulations 2009 is higher by ₹ 1193 lakhs.
  - b) Intangible Assets –Right of Way (Afforestation expenses) were hitherto amortised over the useful life of related assets. During the year company has changed accounting policy in this regard and now these assets are being amortised following the rates and methodology notified by CERC Tariff Regulation with retrospective effect from 01.04.2009. This has resulted in increase in amortisation for the year and Prior Period amortisation of ₹ 762 lakhs and ₹ 1140 lakhs respectively.
4. Accounting of FERV as per accounting policies adopted by the Company has resulted in decrease in profit for the year by ₹ 8443 lakhs (previous year increase in profit by ₹ 448 lakhs, being the difference of ₹ 7800 lakhs included in other incomes and ₹ 7352 lakhs included in Interest and other expenses).
5. Out of the issue proceeds of FPO of ₹ 372117 lakhs, the Company has utilised an amount of ₹ 137117 lakhs during the year (₹ 297117 lakhs cumulative upto 31.03.2012) as per the objects of the issue and the balance of Rs. 75000 lakhs is kept in the banks as term deposits.
6. During the year, the Company has paid an interim dividend of ₹ 0.80 per share (face value ₹ 10/- each) for the year 2011-12. The Board of Directors has recommended final dividend of ₹ 1.31 per share (face value ₹ 10/- each). The total dividend (including interim dividend) for the financial year 2011-12 is ₹ 2.11 per share (face value ₹ 10/- each).
7. Formula used for computation of coverage ratios  $DSCR = \frac{\text{Earning before Interest, Depreciation and Tax}}{(\text{Interest \& Finance Charges net of amount transferred to expenditure during construction} + \text{Principal Repayment})}$  and  $ISCR = \frac{\text{Earning before Interest, Depreciation and Tax}}{(\text{Interest \& Finance Charges net of amount transferred to expenditure during construction})}$ .



8. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31.03.2012 have been prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to current year's classification. Further, previous period/year figures have been regrouped / rearranged wherever necessary.
9. Figures for the fourth quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the financial year.
10. The above results have been reviewed by the Audit Committee at its meeting held on 28.05.2012 and have been approved by the Board of Directors at its meeting held on 29.05.2012.

For and on behalf of **POWER GRID CORPORATION OF INDIA LTD.**

  
(R. N. Nayak)

Chairman & Managing Director

Place : New Delhi.

Date : 29<sup>th</sup> May, 2012.