

पावर ग्रिड कारपोरेशन ऑफ इंडिया लिमिटेड

(भारत सरकार का उद्यम)

POWER GRID CORPORATION OF INDIA LIMITED

(A Government of India Enterprise)



पावरग्रिड

केन्द्रीय कार्यालय : "सौदामिनी" प्लॉट सं. 2, सेक्टर-29, गुड़गाँव-122 001, हरियाणा  
फोन : 2571700 - 719 फैक्स : 2571760, 2571761 तार 'नेटग्रिड'

Corporate office : "Saudamini" Plot No. 2, Sector-29, Gurgaon-122 001 Haryana  
Tel. : 2571700 - 719, Fax : 2571760, 2571761 Gram : 'NATGRID'

संदर्भ संख्या /Ref. Number

C/COS/IPO

Dt: 28.01.2009

The GM (Listing)  
National Stock Exchange of India Ltd.,  
Exchange Plaza,  
Plot No. C/1, G Block,  
Bandra Kurla Complex,  
Bandra (East)  
Mumbai

Dear Sir,

Sub: **Unaudited Financial Results for the quarter and nine months ended 31<sup>st</sup> December, 2008.**

In pursuance of clause 41 of the Listing Agreement, a copy of Unaudited Financial Results for the quarter and nine months ended 31<sup>st</sup> December, 2008 is submitted please.

Thanking You,

Yours faithfully,

  
(Divya Tandon)  
Company Secretary

Encl: a/a

**POWER GRID CORPORATION OF INDIA LTD. (A Govt. of India Enterprise)**  
**B-9 QUTAB INSTITUTIONAL AREA, KATWARIA SARAI, NEW DELHI-110016.**

**UN-AUDITED RESULTS FOR THE QUARTER AND THE NINE MONTHS ENDED 31ST DECEMBER 2008**

(Rs. in lacs)

PARTICULARS	Quarter	Quarter	Nine Months	Nine Months	Financial
	ended	ended	ended	ended	Year ended
	31.12.2008	31.12.2007	31.12.2008	31.12.2007	31.03.2008
	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
<b>1. Revenue from Operations</b>					
Transmission Income - Other than FERV	116074	97820	343515	279024	411792
Transmission Income - FERV <sup>®</sup>	18741		66053		7060
a) Total Transmission Income	134815	97820	409568	279024	418852
b) Consultancy Income	5816	5993	13741	17144	25004
c) Telecom Income	4166	3082	11091	9281	12353
d) Short Term Open Access	1637	1986	4396	5298	7384
e) Lease Income - State Sector ULDC	1310	1013	3800	3582	6654
<b>Total Revenue from Operations</b>	<b>147744</b>	<b>109894</b>	<b>442596</b>	<b>314329</b>	<b>470247</b>
<b>2. Expenditure</b>					
I. a) Staff Cost	14527	11500	42512	31642	51906
b) Other O&M Expenditure (including DRE Written off)	11043	7548	28730	22828	35068
<b>Total Expenditure other than Depreciation</b>	<b>25570</b>	<b>19048</b>	<b>71242</b>	<b>54470</b>	<b>86974</b>
II. Depreciation	27461	24951	81285	70457	95965
<b>Total Expenditure</b>	<b>53031</b>	<b>43999</b>	<b>152527</b>	<b>124927</b>	<b>182939</b>
<b>3. Profit from Operations before Other Income and Interest &amp; Finance Charges</b>	<b>94713</b>	<b>65895</b>	<b>290069</b>	<b>189402</b>	<b>287308</b>
<b>4. Other Income</b>					
a) Interest on Bonds & Long Term Advances	3216	3663	10082	11374	14999
b) Interest from Banks	3482	3834	9411	4707	7462
c) Dividend			1955	538	539
d) Provision Written Back		28		312	839
e) FERV Gain					4296
f) Others	1825	1058	5369	4020	9771
<b>Total Other Income</b>	<b>8523</b>	<b>8583</b>	<b>26817</b>	<b>20951</b>	<b>37906</b>
<b>5. Profit before Interest &amp; Finance Charges</b>	<b>103236</b>	<b>74478</b>	<b>316886</b>	<b>210353</b>	<b>325214</b>
<b>6. (I) Interest &amp; Finance Charges</b>					
a) Interest & Other Charges	37770	27308	109282	85606	119565
b) Rebate to Customers	2026	2111	6618	4614	6764
c) FERV as adjustment in Borrowing Cost <sup>®</sup>	12208	-1564	31408	-24953	7626
(II) FERV above Domestic Borrowing Cost <sup>®</sup>	8022		39357		
<b>Total Interest &amp; Other Charges</b>	<b>60026</b>	<b>27855</b>	<b>186665</b>	<b>65267</b>	<b>133955</b>
<b>7. Profit after interest but Before Tax and Prior Period Adjustments</b>	<b>43210</b>	<b>46623</b>	<b>130221</b>	<b>145086</b>	<b>191259</b>
8. Less : Prior Period Items - FERV	44		5102		17928
Prior Period Items - Others	-565	-184	243	-24	278
<b>9. Profit before tax</b>	<b>43731</b>	<b>46807</b>	<b>124876</b>	<b>145110</b>	<b>173053</b>
<b>10. Provision for Taxation</b>					
a) Minimum Alternate Tax	4680	4861	13045	15006	19711
b) Fringe Benefit Tax	281	358	995	798	1050
c) Deferred Tax	1535	3160	3389	8538	7445
<b>11. Profit after Tax</b>	<b>37235</b>	<b>38428</b>	<b>107447</b>	<b>120768</b>	<b>144847</b>
<b>12. Paid up Equity Share Capital</b>	<b>420884</b>	<b>420884</b>	<b>420884</b>	<b>420884</b>	<b>420884</b>
<b>13. Reserves excluding Revaluation Reserve</b>					<b>929853</b>
14.(a) Basic EPS (*)	0.8847	0.9130	2.5529	3.0502	3.6019
(Rs./Share of Rs 10 each calculated on profit after Tax)					
14.(b) Diluted EPS (*)	0.8847	0.9130	2.5529	3.0488	3.6007
(Rs./Share of Rs 10 each calculated on profit after Tax)					
<b>15. Public Shareholding</b>					
- Number of shares	573932895	573932895	573932895	573932895	573932895
- Percentage of shareholding	13.64 %	13.64 %	13.64 %	13.64 %	13.64 %

® Refer note no. 2 (ii), (iii) and (iv)

\* EPS figures for the Quarter and Nine Months have not been Annualised



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## Segment wise Revenue, Results and Capital Employed

Rs. in lacs

Particulars	Quarter ended 31.12.2008	Quarter ended 31.12.2007	Nine Months ended 31.12.2008	Nine Months ended 31.12.2007	Year ended 31.03.2008
	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
<b>A. Segment Revenue including Other Income</b>					
- Transmission	139542	104591	424986	294129	448030
- Consultancy	5896	6271	14304	17450	25329
- ULDC/RLDC	6645	4577	18998	14406	22408
- Telecom	4276	3097	11354	9435	12584
Total	156359	118536	469642	335420	508351
Less: Inter Segment Revenue	92	59	229	140	198
<b>Total Revenue including Other Income</b>	<b>156267</b>	<b>118477</b>	<b>469413</b>	<b>335280</b>	<b>508153</b>
<b>B. Segment Results</b>					
<b>Profit Before Tax</b>					
- Transmission	41927	42345	120646	130523	157810
- Consultancy	3492	4871	7501	12186	16093
- ULDC/RLDC	-1077	-76	-1280	2331	945
- Telecom	-611	-333	-1991	70	-1795
<b>Total Profit Before Tax</b>	<b>43731</b>	<b>46807</b>	<b>124876</b>	<b>145110</b>	<b>173053</b>
<b>C. Segment Capital Employed</b>					
- Transmission	3855042	3188560	3855042	3188560	3298410
- Consultancy	-84287	-58186	-84287	-58186	-58869
- ULDC/RLDC	131831	127444	131831	127444	123415
- Telecom	71051	67701	71051	67701	64468
<b>Total Segment Capital Employed</b>	<b>3973637</b>	<b>3325519</b>	<b>3973637</b>	<b>3325519</b>	<b>3427424</b>

## Notes :

While calculating segment wise capital employed, dererred tax liability for consultancy and other segments has not been considered and included in transmission segment.

Profit of Telecom segment has been increased by the amount of inter segment revenue with a corresponding decrease in profit of Transmission segment.



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**Notes :**

1. The transmission income included in Revenue from Operations for the period has been accounted for on the basis of regulations issued by CERC and orders received for the block period 2004-09.

2. (i) Without considering the impact of FERV, Net Profit after Tax for the quarter and nine months ended December, 2008 is Rs. 38768 lacs & Rs. 1172 61 lacs respectively against Rs. 36864 lacs & Rs. 95815 lacs respectively for the quarter and nine months ending December, 2007. The increase of 5% for the quarter and 22% for the nine months is due to commissioning of Transmission assets of Rs. 4011 lacs in the current quarter and also the impact of commissioning of assets of Rs. 275355 lacs in the first six months of 2008-09 and Rs 595819 lacs in the last year in various stages.

(ii) Out of total FERV loss of Rs. 33773 lacs for the quarter and Rs. 152762 lacs for the nine months (Rs. 1059 lacs gain and Rs. 48669 lacs gain for the corresponding quarter and nine months of the previous year 2007-08), FERV loss of Rs. 20230 lacs for the quarter and Rs. 70765 lacs for the nine months ( Rs. 1564 lacs gain and Rs. 24953 lacs gain for the corresponding quarter and nine months of the previous year 2007-08) has been charged to Profit & Loss Account and balance has been adjusted in the carrying cost of the related assets as per the provisions of the AS-11 and AS-16.

(iii) **Out of the FERV loss of Rs. 20230 lacs for the quarter and Rs. 70765 lacs for the nine months ( Rs. 1564 lacs gain and Rs. 24953 lacs gain for the corresponding quarter and nine months of the previous year 2007-08) charged to Profit & Loss Account, Rs. 18741 lacs for the quarter and Rs. 66053 lacs for the nine months (Nil for the corresponding quarter and nine months of the previous year 2007-08) has been credited to Profit & Loss Account as "Transmission Income - FERV" by depicting the same as recoverable (during the tenure of the loan as per CERC norms) in accordance with the opinion of Expert Advisory Committee of the Institute of Chartered Accountants of India. The above accounting treatment has been followed from the quarters ended March, 2008 and June, 2008.**

(iv) **The above accounting has resulted in net loss of Rs. 1489 lacs for the quarter and Rs. 4712 lacs for the nine months on account of FERV against FERV gain of Rs. 1564 lacs in the quarter and Rs. 24953 lacs in the nine months ended December, 07. In addition, Rs. 44 lacs for the quarter and Rs. 5102 lacs for the nine months, accounted for as FERV gain in 2007-08 in respect of construction projects, has been depicted as payable to beneficiaries by charge to Profit & Loss account as prior period expenditure.**

3. A provision of Rs. 4171 lacs for the quarter and Rs. 9604 lacs for the nine months (net of amount charged to construction) has been made in the Profit and Loss Account on account of wage revision against Rs. 2251 lacs for the quarter and Rs. 6630 lacs for the nine months (net of amount charged to construction) of the previous year 2007-08.

4. During the period the company has provided depreciation at the rates notified for the purpose of recovery of tariff by Central Electricity Regulatory Commission empowered under The Electricity Act, 2003. The issue of charging depreciation has been referred by CAG to the Ministry of Power (MOP). MOP has issued tariff policy which provides that rates of depreciation notified by CERC would be applicable for the purpose of tariffs as well as accounting. Pending formalization of norms by CERC in accordance with the Tariff Policy, the rates notified under present Tariff Norms are considered appropriate for charging depreciation for the quarter.

5. As per the directions of MOP, the Board, in its meeting held on 12.07.2008, has decided to form a 100% subsidiary company for the RLDC/ULDC segment of the Company. The decision of the Board is under implementation.

6. (i) Status of investor complaints received and attended, regarding equity shares, during the quarter ended 31st December, 2008 is given as under :

No. of Complaints	Opening Balance	Additions*	Attended*	Closing Balance
	14	177	191	0

\* includes references and communications

(ii) As at 31st December, 2008, no investor's complaint / grievance is lying un-resolved in respect of Bonds issued by the Company. Clarifications, as and when sought by any investor, have been furnished.

7. For the financial year 2008-09, Interim Dividend @ 5% on equity share capital was proposed and approved by the Board of Directors in its meeting held on 28.01.2009.

8. Out of the issue proceeds of IPO of Rs. 196576 lacs (net of Issue Expenses of Rs. 2387 lacs), the Company has utilised an amount of Rs. 139087 lacs as per the objects of the issue and the balance is kept in the banks as term deposits.

9. Previous Quarter/Nine months/ Year figures have been regrouped / rearranged wherever necessary.

10. The above results have been reviewed by the Audit Committee and have been approved by the Board of Directors in its meeting held on 28.01.2009.

11. The above results have been reviewed by the Statutory Auditors as required under clause 41 of the listing agreements.

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

(S.K. Chaturvedi)

Chairman & Managing Director

Place : New Delhi.

Date : 28.01.2009.



28/01/09