

पावरग्रिड



## Transmitting Power...Transmitting Happiness

ANNUAL REPORT 2008 - 2009



# Mission

“Establishment and Operation of Regional and National Power Grids to facilitate transfer of power within and across the regions with reliability, security and economy, on sound commercial principles.”

## Objectives

**The Corporation has set following objectives in line with its mission and its status as “Central Transmission Utility”:**

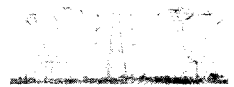
- Undertake transmission of energy through Inter-State Transmission System.
- Discharge all functions of planning and coordination relating to Inter-State Transmission System with -
  - (i) State Transmission Utilities;
  - (ii) Central Government;
  - (iii) State Governments;
  - (iv) Generating Companies;
  - (v) Regional Electricity Boards;
  - (vi) Authority;
  - (vii) Licensees;
  - (viii) Any other person notified by the Central Government on this behalf.
- Exercise supervision and control over the Inter-State Transmission System.
- Efficient Operation and Maintenance of Transmission Systems.
- Establish augment and operate all Regional Load Despatch Centres and Communication facilities.
- To facilitate private sector participation in transmission system through Independent Private Transmission Company, Joint Ventures.
- To assist various SEBs and other utilities in upgradation of skills & sharing of expertise by organising regular conferences, tailor-made training workshops directed towards specific technological and O&M areas and extending laboratory facilities for testing purposes etc.
- Restoring power in quickest possible time in the event of any natural disasters like super-cyclone, flood etc. through deployment of Emergency Restoration Systems.
- To provide consultancy services at national and international levels in transmission sector based on the in-house expertise developed by the organisation.
- To participate in long distance Trunk Telecommunication business ventures.

## PowerTel

**Diversified into telecommunication to mobilise additional resources to establish much needed National Grid.**

- Established Broadband Telecom Network of 20,000 kms connecting over 100 cities on extensively spread Transmission Infrastructure.
- Only utility in the country having overhead optic fibre on its Extra High Voltage Transmission Network.
- POWERGRID Telecom Network
  - Sturdy & Secure
  - Free from rodent menace and vandalism.
- Network has multiple self resilient rings for complete 6 redundancy in backbone as well as intra-city access networks.
- To offer Total Solutions and to meet specific needs of the customers.
- Reliability of Telecom Network 99.99%.
- Bandwidth capacity available on all the metros & major cities.  
Delhi, Mumbai, Chennai, Kolkata,  
Jammu, Jalandhar, Shimla, Guwahati, Shillong, Imphal, Kohima, Hyderabad, Bangalore, Cochin, Ahmedabad, Indore etc.
- Extend telecom network to serve uneconomic and backward areas for the benefit of the common man.
- Plan to extend network to neighbouring countries for terrestrial SAARC Telecom Grid.
- Possesses National Long Distance (NLD), Internet Service Provider (ISP) Category-A and Infrastructure Provider Category-I (IP-I) Licenses to provide Telecom services in the country.
- Plan to Introduce other Value Added Services.
  - Video Conferencing
  - Virtual Local Area Network (VLANs)
  - Multi Protocol Label Switching (MPLS) based on VPNs Data Centres.
  - Voice Over Internet Protocol (VOIP)





## NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of Power Grid Corporation of India Limited will be held on **Wednesday, 9<sup>th</sup> September, 2009 at 10.00 a.m. at "Air Force Auditorium, Subroto Park, New Delhi - 110 010"** to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2009 and Profit and Loss Account for the financial year ended on that date together with Report of the Board of Directors and Auditors thereon.
2. To note the payment of interim dividend and declare Final Dividend for the Financial Year 2008-09.
3. To appoint a Director in place of Dr. A. S. Narag, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Anil K. Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri F. A. Vandrevalla, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Shri S. C. Tripathi, who retires by rotation and being eligible, offers himself for re-appointment.
7. To fix the remuneration of the Auditors.

By order of the Board of Directors



**(Divya Tandon)**  
Company Secretary

### Regd. Office:

B-9, Qutab Institutional Area,  
Katwaria Sarai, New Delhi.  
Pin:-110 016.

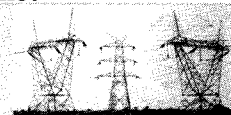
Date: 30.07.2009

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, in order to be effective must be lodged with the Company not less than 48 hours before the commencement of the Annual General Meeting, i.e. latest by 10.00 a.m. on Monday, the 07<sup>th</sup> September, 2009. Blank proxy form is enclosed.

2. As required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges the relevant details of Dr. A. S. Narag, Shri Anil K. Agarwal, Shri F. A. Vandrevale and Shri S. C. Tripathi, Directors retiring by rotation and seeking re-appointment under Item No. 3, 4, 5 and 6 aforesaid in accordance with applicable provisions of the Articles of Association of the Company as well as those directors who have been appointed since the last Annual General Meeting, are also annexed.
3. None of the Directors of the Company is any way related with each other.
4. Members are requested to:-
  - (i) Note that copies of Annual Report will not be distributed at the Annual General Meeting.
  - (ii) Bring their copies of Annual Report, Notice and Attendance Slip duly completed and signed at the meeting.
  - (iii) Deliver duly completed and signed Attendance Slip and hand them over at the entrance of the meeting venue as entry to the Hall will be strictly on the basis of the entry slip available at the counter at the venue to be exchanged with the attendance slip. Photocopies of Attendance Slip will not be entertained for issuing entry slip for attending Annual General Meeting.
  - (iv) Quote their Folio/Client ID & DP ID Nos. in all correspondence.
  - (v) Note that due to strict security reasons, mobile phones, brief cases, eatables and other belongings are not allowed inside the Auditorium.
  - (vi) Note that no gifts/coupons will be distributed at the Annual General Meeting.
5. Corporate Members are requested to send a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 25<sup>th</sup> August, 2009 to 9<sup>th</sup> September, 2009 (both days inclusive). The final dividend on equity shares, as recommended by the Board of Directors, subject to the provisions of Section 206A of the Companies Act, 1956, if declared at the Annual General Meeting, will be paid on or after 14<sup>th</sup> September, 2009.
7. The Board of Directors in its meeting held on 28<sup>th</sup> January, 2009 had declared an interim dividend @ 5% on the paid-up equity share capital (Rs. 0.50 per share) of the Company which was paid on 16<sup>th</sup> February, 2009. Members who have not received or not encashed their dividend warrant may approach Karvy Computershare Private Limited, Registrar and Transfer Agent of the Company, for revalidating the warrant or for obtaining duplicate warrant. The Board had further recommended a Final Dividend @ 7% on the paid-up equity share capital (Rs. 0.70 per share) of the Company at its meeting held on 16<sup>th</sup> June 2009. The dividend, if declared at the Annual General Meeting will be paid on or after 14<sup>th</sup> September, 2009 to those Members, whose names appear on the Register of Members of the Company as on 9<sup>th</sup> September, 2009 in respect of physical shares. However, in respect of shares held in dematerialised form, the dividend will be payable to those persons whose names appear as beneficial owners as at the closure of the business hours on 24<sup>th</sup> August, 2009 as per details to be furnished by the depositories.
8. Pursuant to Section 205A read with Section 205C of the Companies Act, 1956, the dividend amounts which remain unpaid/unclaimed for a period of seven years, are required to be transferred to the Investor Education & Protection Fund of the Central Government. After such transfer, there remains no claim of the members whatever on the said amount. Therefore, Members are advised to encash their Dividend warrants immediately on receipt.
9. Members are advised to submit their Electronic Clearing System (ECS) mandates to enable the company to make remittance by means of ECS. Those holding shares in Electronic Form may obtain and send the ECS Mandate Form directly to their Depository Participant (DP). Those holding shares in physical form may obtain and send the ECS mandate form to Karvy



Computershare Private Limited, the Registrar & Transfer Agent of the company. Those who have already furnished the ECS Mandate Form to the Company/Depository Participant/Registrar & Transfer Agent with complete details need not send it again.

The shareholders who do not wish to opt for ECS facility may please mail their bankers' name, branch address and account number to Karvy Computershare Private Limited, Registrar & Share Transfer Agent of the Company to enable them to print these details on the dividend warrants.

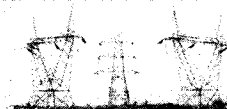
10. Members holding shares in multiple folios in physical mode are requested to apply for consolidation to the Company or its Registrar & Transfer Agent along with relevant Share Certificates.
11. Pursuant to Section 619(2) of the Companies Act, 1956 the auditors of the Government company are to be appointed or reappointed by the Comptroller & Auditor General of India (C&AG) and in terms of Section 224(8)(aa) of the Companies Act, 1956 the remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the company in General Meeting may determine. The Auditors for the Financial Year 2009-10 are yet to be appointed by the Comptroller & Auditor General of India (C&AG). Approval of the Members of the company is required to authorize the Board of Directors of the Company to approve the remuneration of the Statutory Auditors/joint statutory Auditors of the company appointed by C&AG, for the Financial Year 2009-10, as the Board may deem fit.
12. All the documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days (barring Saturday and Sunday), between 11.00 AM to 1.00 PM up to one day prior to the date of AGM i.e. up to Tuesday, the 8<sup>th</sup> September, 2009.
13. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to submit to the Registrar & Transfer Agents of the Company the prescribed Form (Form 2B in duplicate) of the Companies (Central Government's) General Rules and Forms, 1956. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participant.
14. Annual Listing fee for the year 2009-10 has been paid to the Stock Exchanges wherein shares of the Company are listed.
15. Members are requested to send all correspondence concerning registration of transfers, transmissions, subdivision, consolidation of shares or any other shares related matter and bank account to the Company's Registrar.
16. Members are requested to notify immediately any change of address:
  - (i) to their Depository Participants (DP) in respect of shares held in dematerialized form, and
  - (ii) to the Company at its Registered Office or its Registrar & Transfer Agent, Karvy Computershare Private Limited in respect of their physical shares, if any, quoting their folio number.
17. Members desirous of getting any information on any item of business of this meeting are requested to address their queries to the Company Secretary at least ten days prior to the date of the meeting, so that the information required can be made readily available at the meeting.



## BRIEF RESUME OF THE DIRECTORS SEEKING RE-ELECTION AND ALSO OF DIRECTORS APPOINTED SINCE LAST ANNUAL GENERAL MEETING

Director seeking re-election at the 20<sup>th</sup> AGM:

Name	Dr. A.S.Narag	Shri Anil K. Agarwal	Shri F.A.Vandrevala	Shri S.C.Tripathi
Date of Birth and Age	10 <sup>th</sup> March, 1946/ 63 years	29 <sup>th</sup> December, 1954 / 54 years	17 <sup>th</sup> October, 1950 / 58 years	1 <sup>st</sup> January, 1946 / 63 years
Date of Appointment	10 <sup>th</sup> July, 2007	10 <sup>th</sup> July, 2007	10 <sup>th</sup> July, 2007	25 <sup>th</sup> April, 2008
Qualification	Master of Science degree and PhD from Delhi University and also holds an ITP Certificate from Graduate School of Business Administration, Harvard University.	Master of Commerce degree from University of Delhi and Post Graduate Diploma in Business Management from University of Delhi.	Bachelor of Technology degree in Electrical Engineering from Indian Institute of Technology, Kharagpur and also holds a Post Graduate Diploma in Business Management from Xavier's Labour Relations Institute, Jamshedpur.	Master's degree in Science (Physics - Spl. Electronics) from Allahabad University, LL.B. Diploma in Development (Cantab.), AIMA Diploma in Management.
Expertise in specific functional area	Dr. A.S.Narag has served as the Dean, Faculty of Management Studies, University of Delhi and has held various important positions in the University of Delhi. He is currently a professor at the Faculty of Management Studies, University of Delhi.	Shri Anil K. Agarwal has been actively involved in Industry Associations, for development of International Trade and Investments and was the President of the Associated Chambers of Commerce and Industry of India (the 'ASSOCHAM'). He is currently the Chairman of the International Affairs of the ASSOCHAM and a Council Member of the Institute of Chartered Accountants of India.	Shri F.A.Vandrevala has over 35 years of work experience primarily in the field of Steel, Power and Telecom. He is currently the Chairman and Managing Director of Hirco Developments Private Limited.	Shri S.C.Tripathi joined the IAS in 1968 and retired as Secretary to the Govt. of India, Ministry of Petroleum and Natural Gas on 31.12.05. He has held important positions in Government both at the State and Central level. He spent nearly 20 years in Finance and Industry Sector at Chief Executive/Secretary level at State and Chief Executive/Jt. Secy/Addl. Secy/Secretary level at Central Govt. and in representative capacity at International levels.
Directorship held in other Companies (Part-time)	NIL	<ol style="list-style-type: none"> <li>1. Cosmos International Ltd. (Whole Time Director)</li> <li>2. Cosmos Bioscience (P) Ltd.</li> <li>3. Space Capital Services (P) Ltd.</li> <li>4. Vams Marketing(P) Ltd.</li> <li>5. Space Industries Ltd.</li> <li>6. Maytas Infra Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. Hirco Development Pvt. Ltd. CMD.</li> <li>2. TCG Lifesciences Ltd.</li> <li>3. Power System Operation Corporation Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. Indusind Bank Ltd.</li> <li>2. Modi Rubber Ltd.</li> <li>3. Shipping Corporation of India Ltd.</li> <li>4. Gammon Infrastructure Projects Ltd.</li> <li>5. IL&amp;FS Infrastructure Development Corporation Ltd.</li> <li>6. IL&amp;FS Energy Development Company Ltd.</li> <li>7. Orient Green Power Ltd.</li> <li>8. Kailash Healthcare Ltd.</li> <li>9. ONGC Tripura Power Corporation Ltd.</li> <li>10. Reliance Capital Asset Management Company Ltd.</li> <li>11. Shriram EPC Ltd.</li> </ol>
Memberships / Chairmanships of Committees in other Companies	NIL	NIL	<ol style="list-style-type: none"> <li>1. TCG Lifesciences Ltd. (Member-Audit Committee)</li> <li>2. TCG Lifesciences Ltd. (Member-Shareholders' Grievances Committee)</li> </ol>	<ol style="list-style-type: none"> <li>1. Reliance Capital Asset Management Co. Ltd. (Member-Audit Committee)</li> <li>2. Indusind Bank Ltd. (Member-Audit Committee)</li> </ol>
No. of Shares held	3136	125000	15051	NIL



## Directors appointed since last Annual General Meeting held on 18th September, 2008

Name	Shri V. M. Kaul	Shri R. N. Nayak	Shri Sudhir Kumar	Shri Rakesh Jain
Date of Birth and Age	18 <sup>th</sup> March, 1952/ 57 years	23 <sup>rd</sup> September, 1955/53 years	27 <sup>th</sup> March, 1956 / 53 years	18 <sup>th</sup> August, 1957 / 52 years
Date of Appointment	16 <sup>th</sup> March, 2009	16 <sup>th</sup> May, 2009	22 <sup>nd</sup> May, 2009	9 <sup>th</sup> June, 2009
Qualification	Mechanical Engineering; IIT, Delhi; M.B.A.	B.Sc(Engg), Electrical Engg M.Tech(Electrical)	M.Com, Delhi School of Economics	M.Sc. Physics
Expertise in specific functional area	Shri Kaul has over 35 years of work experience primarily in the power sector. He has previously held the position of Executive Director(HR), Executive Director in-charge of Private Investment and Business Development and Corporate Planning. Prior to joining our company Shri Kaul has worked for 23 years in NTPC and handled various multi-disciplinary functions like Contract Management, Project Management, joint Venture, Quality Assurance and Inspection.	Shri Nayak has over 31 years of work experience, primarily in the power sector. He has worked for more than 19 years in POWERGRID and handled various multi-disciplinary functions like Engineering, Load Despatch & Communication, Contract Management, Quality Assurance and Inspection; Telecom and Human Resources. He has previously held the positions of Executive Director (Engineering & QA&I); Executive Director(HR), Executive Director (R&D) in POWERGRID. Prior to joining POWERGRID in 1990, he has worked for about 7 years in NTPC and had a stint with SAIL. He has introduced many new technologies in the Indian Power Sector such as $\pm 800$ KV HVDC and 1200 KV AC UHV.	Shri Kumar is an Indian Administrative Services officer of Bihar cadre since 1982. He is currently Joint Secretary in the Ministry of Power. Prior to that, Shri Kumar was Officer on Special Duty to the Minister for Railways, GOI and has also held various administrative posts in the State of Bihar and Jharkhand.	Shri Rakesh Jain is an officer of Indian Audit & Accounts Service (1981). He is currently Joint Secretary and Financial Adviser (JS&FA) in the Ministry of Power and also holds additional charge of the post of JS&FA of the Ministry of Labour & Employment. Prior to that, Shri Jain was in the office of C&AG. He has held various important positions such as Director General (Accounts, Entitlement, Complaints & Information System); Principal Director (Report States) - Office of C&AG; Accountant General (AG) (Audit), Rajasthan; AG(AE-II) Madhya Pradesh; Principal Director (Commercial Audit) Ranchi and Principal Director of Audit, Embassy of India, Washington, USA.
Directorship held in other Companies	Byrnihat Transmission Company Ltd.	NIL	NIL	1. NTPC Ltd. 2. Power Finance Corporation Limited.
Memberships / Chairmanships of Committees in other Companies	NIL	NIL	NIL	1. Audit committee- a) member, NTPC Ltd. b) Member & Chairman of the Committee, Power Finance Corporation Limited. 2. Shareholders' Grievance Committee- a) Member & Chairman of the Committee NTPC Ltd. b) Member, Power Finance Corporation Limited.
No. of Shares held	7213	11721	100*	100*

\*(Shares held as nominee of Hon'ble President of India)



**POWER GRID CORPORATION OF INDIA LIMITED**

Registered Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi-110 016.

Corporate Office: 'SAUDAMINI', Plot No.2, Sector-29, Gurgaon, Haryana-122 001.

**FORM OF PROXY**

I/We \_\_\_\_\_ being a Member/Members of  
**Power Grid Corporation of India Limited** hereby appoint Mr./Mrs./Miss \_\_\_\_\_  
 \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_  
 \_\_\_\_\_ and failing him/her Mr./Mrs./Miss \_\_\_\_\_  
 of \_\_\_\_\_ in the district of \_\_\_\_\_  
 \_\_\_\_\_ as my/our proxy to vote for me/us on my/our behalf at the **Twentieth Annual General Meeting** of the Company to be held on **Wednesday, the 9<sup>th</sup> September, 2009** at "**Air Force Auditorium, Subroto Park, New Delhi-110 010**" at **10.00 a.m.** and at any adjournment thereof.

Folio / Client ID									
DP ID No.									
No. of Shares held									

Please affix  
 15 paise  
 Revenue  
 Stamp

(Signature of Member)

Note: Proxies in order to be valid must be duly filled in, stamped, signed and deposited at the Registered Office of the Company not less than 48 Hours before the time of commencement of the Meeting.

**POWER GRID CORPORATION OF INDIA LIMITED**

Registered Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi-110 016.

Corporate Office: 'SAUDAMINI', Plot No.2, Sector-29, Gurgaon, Haryana-122 001.

**ATTENDANCE SLIP**

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

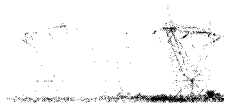
Member/Proxy \_\_\_\_\_  
 (First) (Middle) (Surname)

I hereby record my presence at **Twentieth Annual General Meeting** of the Company to be held on **Wednesday, the 9<sup>th</sup> September, 2009** at **10.00 a.m.** at "**Air Force Auditorium, Subroto Park, New Delhi-110 010**".

Folio / Client ID									
DP ID No.									
No. of Shares held									

Signature of Member/Proxy





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## REFERENCE INFORMATION

<b>Registered Office</b> B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi - 110 016	<b>Company Secretary</b> Ms. Divya Tandon
<b>Corporate Office</b> "Saudamini", Plot No. 2, Sector 29, Gurgaon - 122 001 (Haryana)	<b>Statutory Auditors</b> A. R. & Co. Chartered Accountants A-403, Gayatri Apartment, Airlines Group Housing Society, Plot No. 27, Sector-10 Dwarka, New Delhi - 110 075  Umamaheswara Rao & Co. Chartered Accountants Flat No. 5-H 'D' Block, 8-3-324, Krishna Apartments, Yellareddyguda Lane Ameerpet 'X' Roads, Hyderabad - 500 073  S R I Associates Chartered Accountants 3-B, Garstin Place, Kolkata - 700 001
<b>Registrar &amp; Share Transfer Agent</b> Karvy Computershare Private Limited Plot No.: 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad - 500 081 Ph.: 040-23420815 to 824 Fax : 040-23420814 Email: <a href="mailto:einward.ris@karvy.com">einward.ris@karvy.com</a> Website: <a href="http://www.karvycomputershare.com">www.karvycomputershare.com</a>	<b>Bankers</b> Indian Overseas Bank ICICI Bank Union Bank of India Bank of Baroda State Bank of Hyderabad State Bank of India State Bank of Patiala Corporation Bank Canara Bank Dena Bank Punjab National Bank Indian Bank J & K Bank IDBI Bank HDFC Bank Allahabad Bank Bank of India
<b>Shares Listed at:</b> National Stock Exchange of India Limited Bombay Stock Exchange Limited  <b>Depositories</b> National Securities Depository Limited Central Depository Services (India) Limited	