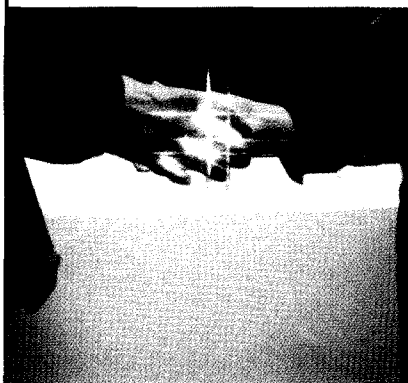


The power to live on...

ANNUAL REPORT 2002 - 03



The power to prosper...



The power to dream on...



The power to move on...

... the power that propels India.



पावरग्रिड

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, सैक्टर-29, गुडगाँव-122 001, हरियाणा

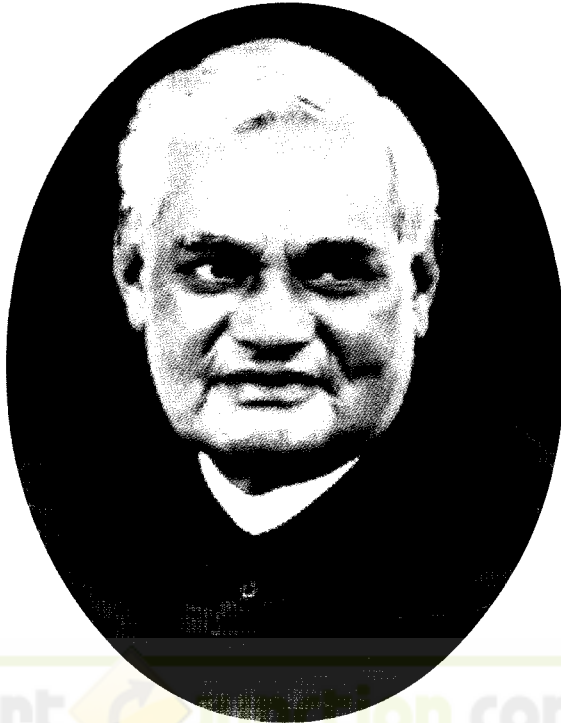
फोन : 2571700 - 719, फैक्स : 2571760, 2571761 तार 'नेटग्रिड'

Corporate Office : "Saudamini" Plot No. 2, Sector-29, Gurgaon-122 001, Haryana

Tel. : 2571700 - 719, Fax : 2571760, 2571761 Gram : 'NATGRID'

संदर्भ संख्या/Ref. Number

Report  Junction.com



Report [reportjunction.com](http://www.reportjunction.com)

अटल बिहारी वाजपेयी

माननीय प्रधानमंत्री, भारत

**पावरग्रिड के तालवर-कोलार 2000 मेगावाट एचवीडीसी बाईपोल लिंक के
उद्घाटन के शुभ अवसर पर दिनांक 14 फरवरी, 2003**

माननीय प्रधानमंत्री के शब्दों में

“समय से पहले ये प्रोजेक्ट आपने पूरा किया है। दूसरी बात यह है कि जितना धन खर्च करने का अनुमान था उससे कम में आपने काम चलाया है। ये दो बड़ी उपलब्धियाँ हैं। अगर समय से पहले काम खत्म होता है तो बचत होती है और आगे बढ़ने के लिए प्रोत्साहन मिलता है उसी तरह से अगर समय से पहले खत्म हो तो कर्मचारियों के उत्साह में वृद्धि होती है। ये सचमुच में राष्ट्र के तौर पर हमें अपने व्यवहार का मापदण्ड बनाना चाहिए।

समय से पहले हम काम कर के दिखाएंगे और कम लागत में पूरा काम कर के दिखाएंगे। ये दोनों बातें अगर हमारे कार्यक्रम, हमारे व्यवहार में समाविष्ट हो जाएं तो हमारी प्रगति और भी तेजी से होगी इसमें कोई संदेह नहीं है।”

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Mission & Objectives

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) Transmission Licensees;
 - (ix) 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.

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POWERGRID

Quest for Excellence in
telecommunication

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

- To establish broadband Telecom Network over extensively spread Transmission Infrastructure.
- Commence Telecom Business as Infrastructure Provider-II with an eye on National Long Distance Operation in the long run.
- Introduce other Value Added Services, *Managed network services and Data centres.*
- To tap a significant market share of the Voice and Data market being offered by liberalisation of national long distance operation.
- Implement 20,000 Kms. network connecting over 60 major cities within 2 to 3 years.

As on date Bandwidth available on :

Delhi - Lucknow - Mumbai

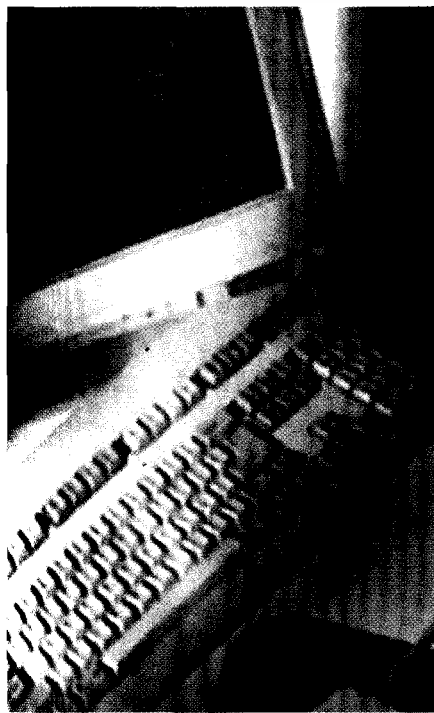
Delhi - Chandigarh - Shimla

Delhi - Jaipur

Delhi - Meerut

other cities to be connected progressively

- Extend telecom network to serve uneconomic and backward areas for the benefit of the common man.
- Would offer total solution and cater to the specific needs of the customers.





Shri R. P. Singh
Chairman and Managing Director
Since 23.08.1997



Dr. V.K. Garg
Director (Finance)
Since 17.09.1997

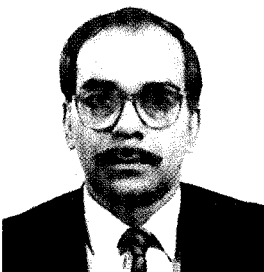
Board of Directors



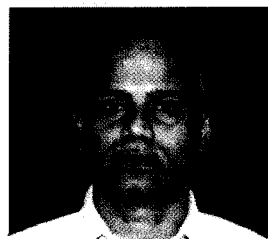
Shri Bhanu Bhushan
Director (Operations)
Since 13.11.1997



Shri S.C. Misra
Director (Projects)
Since 01.09.2001



Shri U.C. Misra
Director (Personnel)
Since 01.08.2002

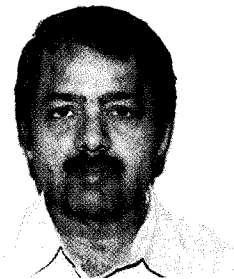


Shri M. Sahoo
JS & FA (MOP)
Govt. Director
Since 22.07.2002

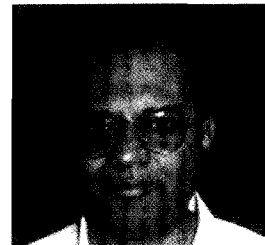
BANKERS

• Indian Overseas Bank • Union Bank of India • Bank of Baroda • State Bank of Hyderabad
• State Bank of Travancore • State Bank of India • State Bank of Patiala • State Bank of
Bikaner & Jaipur • Central Bank of India • Corporation Bank
• Canara Bank • Oriental Bank of Commerce • Syndicate Bank • Dena Bank • State
Bank of Mysore • Punjab National Bank • Vijaya Bank • Indian Bank

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Shri Shashi Shekhar
Jt. Secy. (MOP)
Govt. Director
From 17.06.2003 to 6.10.2003



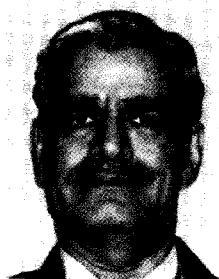
Shri A.K. Kutty
Jt. Secy. (MOP)
Govt. Director
from 22.07.2002 to 17.06.2003



Shri P. I. Suvrathan
Jt. Secy. (MOP)
Govt. Director
from 18.05.2001 to 11.07.2002



Shri R. Ramanujam
Jt. Secy. (MOP)
Govt. Director
from 23.02.2000 to 01.07.2002



Shri A. I. Bunet
Director (Personnel)
from 09.08.2001 to 31.07.2002



Shri V. V. R. K. Rao
Chairman (CEA)
Govt. Director
from 20.07.2001 to 30.06.2002

Company Secretary
Ms. Divya Tandon

M/s. D. P. Sen & Company
Chartered Accountants
8/2 Karan Shankar Roy Road,
Kolkata - 700 001

M/s. Venugopal & Chenoy
Chartered Accountants
4-1-889/16/2, Tilak Road,
Hyderabad - 500 000

M/s. Hingorani M. & Company
Chartered Accountants
35, Netaji Subash Marg, Daryaganj,
New Delhi - 110 002

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



Chairman Speaks

at the 14th Annual
General Meeting held at
New Delhi on 29th Sept., 2003



Ladies and Gentlemen,

The year 2002-03 can be labelled as the year of achievements in all the facets of company's business. Your company recorded a Turnover of Rs. 2532.74 crore and Net Profit (After Tax) of Rs. 642.59 crore, recording a Net Profit Margin of over 25%. Collection efficiency of your company has currently gone upto 97%.

While capital investment worth Rs. 2561 crore was undertaken, projects worth Rs. 5300 crore were commissioned covering 5956 ckt. Kms. of transmission lines, 11 new sub-stations along with 10,548 MVA transformation capacity. This facilitated augmentation of National Grid capacity to 8000 MW. Most of the projects were commissioned ahead of schedule upto one-year and at a cost lesser by Rs. 850 crore than the approved cost.

The transmission system availability achieved was 99.4% and the number of trippings per line was reduced to 4.86, better than previous year.

Management of the regional grids by your company through modernized Regional Load Despatch Centres and highly trained personnel has paid rich dividends. The vital grid parameters viz. Voltage and Frequency have greatly improved. While earlier, frequency used to hover between 48 Hz and 52 Hz most of the time, now it is within specified band of 49 Hz to 50.5 Hz. The voltage, particularly in Southern Region, which used to suffer on account of low voltage, has improved from 365 kV to 400 kV at Bangalore.

Performance of your company in this landmark year of 2002-03 was consistent with its long tradition of growth. Your company accomplished the first phase of National Power Grid with completion of 500 MW HVDC back-to-back station at Sasaram inter-connecting Eastern & Northern Regions. Considerable progress

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was also achieved in implementation of the second phase of National Power Grid with the commissioning of 2000 MW, 1400 Kms. long Talcher- Kolar HVDC bi-pole link between Eastern & Southern Regions and Raipur-Rourkela 400 kV Double circuit AC interconnection between Eastern & Western Regions. While the former has the distinction of being the longest HVDC bipole link in Asia, completion of the latter has led to creation of a synchronised sub-national grid covering North-Eastern/Eastern/Western Regions with a cumulative installed capacity of over 50,000 MW stretching from Arunachal Pradesh in North- Eastern Region to Goa in Western Region i.e. a distance of more than 2500 Kms. encompassing an area of about 16 lakh sq. Kms. This large inter-connected synchronous network is facilitating swapping of power among Regions and mitigating the shortages of deficit Regions. Its successful management needs greater care and attention of not only POWERGRID but also of other constituent utilities viz SEBs, Transcos etc.

Financial performance of your company would have been still better, but for certain tariff related regulatory measures, which are being evolved. Though it is a matter of concern, your company is addressing them suitably. Constraints were also faced on account of revenue loss due to longer gestation of Nathpa-Jhakri and Dulhasti hydro projects and sluggish growth of generating capacity in the North-Eastern Region. Govt. of India has been approached to consider a suitable package to bridge the revenue gap in NER, which needs special treatment. Impetus being given by Govt. of India to accelerate development of hydroelectric projects is anticipated to improve utilization of the transmission system in NER, leading to growth in revenue.

Multifarious steps were taken to control the expenditure; manpower cost being one of the major. Over the decade, manpower has grown at an average annual rate of only 2%, while the financial and constructional performances have grown 27 % (Turnover) and 40% (Asset Base), respectively.

Significant progress has been made in execution of 765 kV transmission system associated with Tehri HEP. Its progress was constrained due to socio-legal issues related to forest conservation in Rajaji National Park. After repeated hearings in Supreme Court, the issues were resolved. Your company had to incur additional expenditure of around Rs. 50 crore towards afforestation as per orders of Hon'ble Supreme Court, while the height of the transmission towers was also raised from the normal level of about 35 meter to 55 meter to minimise tree-felling. This is in keeping with your company's concern for maintaining ecological balance, while furthering the economic development. Such concerns are addressed in your company's Environmental and Social Policy and Procedures (ESPP) document, which has been made an integral part of its project implementation process. The concern for environment starts at the system planning stage itself, where enough care is taken to avoid forest or thickly inhabited areas along the transmission lines.

Your company maintains its consistent performance through a sustainable corporate value system based on transparency, accountability, trusteeship, ethical and disciplined behavior supplemented by proactive employees welfare orientation. Your company appreciates the vital role played by the human resource in the development of an organization. Accordingly, the policies are focused towards the development of human resource through



Dividend cheque
being presented to
Hon'ble Union Minister of Power

