



Environmentally Sensitive, Growing Global

ANNUAL REPORT 2009-2010



Mission

“Establishment and operation of Regional and National Power Grids to facilitate transfer of electric 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 Government;
 - (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 on 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 additional resources to establish much needed National Grid.

- Established Broadband Telecom Network of about 22,000 kms connecting over 110 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 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.
- 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)

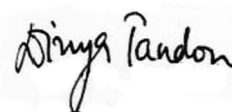
NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of the Members of Power Grid Corporation of India Limited will be held on **Friday, 24th September, 2010 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 31st March, 2010 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 2009-10.
3. To appoint a Director in place of Shri Ashok Khanna, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Smt. Sarita Prasad, who retires by rotation and being eligible, offers herself for re-appointment.
5. To fix the remuneration of the Auditors for the Financial Year 2010-11.

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: 11.08.2010



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 Wednesday, the 22nd September, 2010**. 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 Shri Ashok Khanna and Smt. Sarita Prasad, Directors retiring by rotation and seeking re-appointment under Item No. 3 and 4 aforesaid in accordance with applicable provisions of the Articles of Association of the Company as well as of the Director who has been appointed since the last Annual General Meeting, are also annexed. The tenure of Shri Ashok Khanna is up to 24th April, 2011 and Smt. Sarita Prasad is up to 3rd August, 2011 as per terms of their appointment by the Government of India.
3. None of the Directors of the Company is in 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 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 9th September, 2010 to 24th September, 2010 (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 29th September, 2010.
7. The Board of Directors in its meeting held on 6th January, 2010 had declared an interim dividend @ 5% on the paid-up equity share capital of the Company which was paid on 25th January, 2010. 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 @ 10% on the paid-up equity share capital of the Company at its meeting held on 25th May, 2010. The dividend, if declared at the Annual General Meeting will be paid on or after 29th September, 2010 to those Members, whose names appear on the Register of Members of the Company as on 24th September, 2010 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 8th September, 2010 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 Investors Education & Protection Fund of the Central Government. After such transfer, there remains no claim of the members whatever on the said amount. 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 2010-11 have been appointed by the Comptroller & Auditor General of India (C&AG) vide office of C&AG letter No. CA.V/COY/CENTRAL GOVERNMENT, POGRID (3)/7 dated 12.07.2010. 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 2010-11, as the Board may deem fit. Members are informed that in terms of the authorization by the members to the Board of Directors of the Company, in the last Annual General Meeting of the Company, your Board of Directors approved the remuneration of ₹ 30 lakhs plus applicable taxes for the Statutory Audit and supplementary report under Section 619(3) of the Companies Act, 1956; limited review fee per quarter @25% of the Annual audit fee and Tax audit fee @30% of the Annual audit fee plus applicable taxes; and reimbursement of actual travelling and out of pocket expenses, to the three joint statutory Auditors for the Financial Year 2009-10.
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 Thursday, the 23rd September, 2010.
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 Agent 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 2010-11 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, sub-division, consolidation of shares or any other shares' related matter and bank account to Company's Registrars.
16. Members are requested to notify immediately any change of address:
 - (i) to their Depository Participant (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 items 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 DIRECTOR APPOINTED SINCE LAST ANNUAL GENERAL MEETING

Directors seeking re-election at the 21st AGM:

Name	Shri Ashok Khanna	Smt. Sarita Prasad
Date of Birth and Age	5th November, 1947/ 62 years	15th August, 1946 / 63 years
Date of Appointment	25th April, 2008	4th August, 2008
Qualification	First class B.Tech. (Hons.) in textile from Bradford University (U.K.).	Masters Degree in Economics from the Delhi School of Economics and Diploma in Development Administration from Birmingham University, U.K.
Expertise in specific functional area	Shri Ashok Khanna is currently CMD of Khanna Watches Ltd. and has vast experience of Corporate management of nearly 40 years. He is Ex. President of PHDCCI and Founder Chairman of CII, Himachal Pradesh. He has been on the Managing Committee of FICCI and also remained Member/Director of various important organizations/associations. Presently, he is on the Managing Committee of ASSOCHAM and is Chairman-Internal Trade Committee of ASSOCHAM.	Smt. Sarita Prasad joined the Indian Administrative Service in 1969 and retired as Secretary to Government of India, Ministry of Social Justice and Empowerment on 31.08.2006. She has held important postings in the Central and State Government. She was Managing Director of three State Corporations and Financial Commissioner, Irrigation and Water Supply in the State Government. In the Government of India she worked as Director in the Ministry of Defence and Joint Secretary in the Ministry of Personnel.
Directorship held in other Companies (Part-time)	1. Khanna Watches Ltd. 2. K-Watch Ltd. 3. Khanna Quartz Ltd. 4. Ansal Housing & Construction Ltd. 5. Worldwide Immigration Consultancy Services Ltd. 6. Nirvana Biosys(P) Ltd.	NIL
Memberships / Chairmanships of Committees in other Companies	Audit Committee – 1. Power Grid Corporation of India Ltd. 2. Ansal Housing & Construction Ltd.	Shareholders'/Investors' Grievance Committee – Power Grid Corporation of India Ltd.
No. of Shares held	NIL	NIL

Director appointed since last Annual General Meeting held on 9th September, 2009

Name	Dr. M. Ravi Kanth
Date of Birth and Age	25.11.1960 49 years
Date of Appointment	11.12.2009
Qualification	M.A. Eco.; LL.B; M.B.A. Melbourne, Australia.
Expertise in specific functional area	Dr. M. Ravi Kanth, is an Indian Administrative officer of Kerala cadre since 1986. He is currently Joint Secretary in the Ministry of Power. Prior to that, he was C.M.D, National Handicapped Finance and Development Corporation, Ministry of Social Justice & Empowerment. He has held various important positions in Government both at the State and Central level.
Directorship held in other Companies	NIL
Memberships / Chairmanships of Committees in other Companies	NIL
No. of Shares held	NIL

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 **Twenty First Annual General Meeting** of the Company to be held on **Friday, the 24th September, 2010** at **"Air Force Auditorium, Subroto Park, New Delhi-110 010"** at **10.00 a.m.** and at any adjournment thereof.

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

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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 the **Twenty First Annual General Meeting** of the Company held on **Friday, 24th September, 2010** at **10.00 a.m.** at **"Air Force Auditorium, Subroto Park, New Delhi-110 010."**

Folio / Client ID							
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DP ID Nos.							
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No. of Shares held							
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(Signature of Member/Proxy)

