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 : 0124-2571700-719, फैक्स : 0124-2571760, 0124-2571761 तार 'नेटग्रिड'
Corporate Office : "Saudamini" Plot No. 2, Sector-29, Gurgaon-122 001 Haryana
Tel. : 0124-2571700-719, Fax : 0124-2571760, 0124-2571761 Gram : 'NATGRID'

संदर्भ संख्या / Ref. No.

C/COS/Listing Dt: 03.10.2012

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: **Proceeding of the 23rd AGM**

Enclosed please find the copy of the proceedings of the 23rd Annual General Meeting of the Company held on 19th September, 2012. This is being filed in terms of Clause 31 (d) of the Listing Agreement.

Thanking You,

Yours faithfully,

(Divya Tandon)
Company Secretary

Encl: a/a

POWER GRID CORPORATION OF INDIA LIMITED

MINUTES OF 23rd ANNUAL GENERAL MEETING OF THE MEMBERS OF POWER GRID CORPORATION OF INDIA LIMITED HELD ON WEDNESDAY, 19TH SEPTEMBER, 2012 AT 11:00 A.M. AT AIR FORCE AUDITORIUM, SUBROTO PARK, NEW DELHI - 110 010.

PRESENT:

1. Shri R. N. Nayak	-	Chairman & Managing Director
President of India (Through Authorised Representative):-		
2. Shri A. K. Saxena Director (Transmission)	-	Representative of the President (Ministry of Power)
3. Shri Asholi Chalai Director	-	Representative of the President (Ministry of Dev. of North Eastern Region)
4. Shri R. T. Agarwal	-	Director (Finance)
5. Shri I. S. Jha	-	Director (Projects)
6. Shri Ravi P. Singh	-	Director (Personnel)
7. Shri R. P. Sasmal	-	Director (Operations)
8. Mrs. Rita Acharya	-	Director
9. Mrs. Rita Sinha	-	Director
10. Shri Santosh Saraf	-	Director & Chairman, Audit Committee
11. Ms. Divya Tandon	-	Company Secretary

20,637 Members were present in person.

671 Members were present through proxy.

1. Shri R. N. Nayak, Chairman & Managing Director took the Chair. Quorum of the Meeting being present, the Chairman & Managing Director declared the meeting open. He welcomed the Members attending the meeting. Thereafter, Company Secretary introduced the Members of the Board.

   The Chairman stated that the Register of Directors, Register of Directors' Shareholding and the Proxy Register were available during the Meeting for inspection of the Members.

With the consent of all the Members present, the notice of meeting and Directors' Report, which were with the shareholders for some time, were taken as read.

Thereafter, the Chairman & Managing Director delivered his speech giving a brief account of performance highlights of the Company during the year under review and recent developments. The main points covered in the Chairman's speech were the Economic and Business Milieu, recent setting of the Company's Vision and mission in line with the changing business environment, highlights of performance during the year 2011-12 covering Financial & Operational Performance, Consultancy assignments (Domestic & International), Operational Performance, Technology Initiatives including for developing 1200kV UHV AC, ±800kV HVDC multi terminal transmission system, achievements/surpassing of XI plan targets and Capital Investment programme for XII plan, Grid Management by POSOCO (a wholly owned subsidiary Company), Telecom Business, New initiatives/developments on operational front, Smart Grid Solutions, bagging of new projects under Tariff Based Competitive Bidding (TBCB) route, backward integration for competitive advantage, Sustainable Development, Energy Efficiency Initiatives, Green Energy Corridors, Corporate Governance, Corporate Social Responsibility, etc.

The Chairman concluded his speech by thanking Ministry of Power, Central Electricity Authority, Ministry of Finance, Planning Commission, Department of Public Enterprises, Ministry of Statistics & Program Implementation, Department of Telecom and other departments, Central Electricity Regulatory Commission, Appellate Tribunal for Electricity, Regional Power Committees, Statutory Auditors, Comptroller and Auditor General of India (C&AG), Securities and Exchange Board of India, National Stock Exchange of India Ltd., BSE Ltd., various State Power Utilities, Independent Directors, all fellow Members on the Board, Employees and Shareholders of the Company for their confidence and support to the Company.

2. Company Secretary read the Auditors' Report dated 29th May, 2012.

Thereafter, it was decided to take up the business as stated in the Notice of the meeting:

Ordinary Business

3. **Item No. – 1**

To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012 and Profit & Loss Account for the financial year ended on that date together with Report of the Board of Directors and Auditors thereon.

Shri Asholi Chalai, Representative of the President, (Ministry of Dev. of North Eastern Region) (DPID - IN301330 and Client ID - 20156259) proposed and Ms. Beena Khorana (DPID- IN301549 and Client ID-15073756) seconded the following Ordinary Resolution:

"Resolved that Statement of Profit & Loss of the Company for the financial year ended on 31st March, 2012 and Balance Sheet as on that date together with report of the Auditors' thereon and report of the Board of Directors and Cash Flow Statement for the year ended 31st March, 2012 be and are hereby received, considered and adopted."

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

4. **Item No. – 2**

To take note of payment of Interim Dividend and declare Final Dividend for the Financial Year 2011-12.

Shri A. K. Saxena, Representative of the President (Ministry of Power) (DPID-IN301330 and Client ID-20155555) proposed and Shri D. K. Bhambri (Client ID- 1203340000000541) seconded the following Ordinary Resolution:

"Resolved that the interim dividend @ 8% of the paid-up equity share capital declared on 8th February, 2012 subject to rounding off of the dividend amount payable to individual shareholder to the nearest rupee as per Rule 23 of Companies (Central Government's) General Rules & Forms, 1956 for which payment of ₹ 370,38,48,498/- was made on 23rd February, 2012 be and is hereby noted and pursuant to the recommendation of the Board of Directors, final dividend @ 13.1% of the paid-up equity share capital of the Company amounting to ₹606,49,40,212/- subject to rounding off of the dividend amount payable to individual shareholder to the nearest rupee as per Rule 23 of Companies (Central Government's) General Rules & Forms, 1956 be and is hereby declared out of the profits of the Company for the

financial year 2011-12 and be paid to the equity shareholders of the Company whose name appear on the Company's Register of Members on 19th September, 2012 in respect of physical shares and in respect of dematerialized shares, the dividend be paid to the beneficial owners of the shares whose names appeared in the Statement of Beneficial Ownership, as at the close of business hours on 6th September, 2012, furnished by National Securities Depository Limited and Central Depository Services (India) Limited."

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

5. **Item No. – 3**

To appoint a Director in place of Shri I. S. Jha, who retires by rotation and being eligible, offers himself for re-appointment.

Shri Gurcharan Singh (DPID-IN300206 and Client ID-10926854) proposed and Shri Arun Kumar Arora (Client ID-1201910101175819) seconded the following Ordinary Resolution:

"Resolved that Shri I.S. Jha, Director who retires by rotation pursuant to Article 31 (c) (iii) of the Articles of Association of the Company and being eligible offers himself for re-appointment, be and is hereby re-appointed as Director of the Company."

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

6. **Item No. – 4**

To appoint a Director in place of Shri R. T. Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.

Shri Ravi Shanker Kapoor (Client ID-1203800000050251) proposed and Ms. Anita Singhal (DPID-IN302822 and Client ID-10289207) seconded the following Ordinary Resolution:

"Resolved that Shri R. T. Agarwal, Director who retires by rotation pursuant to Article 31 (c) (iii) of the Articles of Association of the Company and being eligible offers himself for re-appointment, be and is hereby re-appointed as Director of the Company."

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

7. **Item No. – 5**

To appoint a Director in place of Smt. Rita Acharya, who retires by rotation and being eligible, offers herself for re-appointment.

Shri Krishna Kant Sharma (Client ID-1205900000002335) proposed and Shri Rahul Singhal (DPID-IN302822 and Client ID-10289216) seconded the following Ordinary Resolution:

"Resolved that Smt. Rita Acharya, Director who retires by rotation pursuant to Article 31 (c) (iii) of the Articles of Association of the Company and being eligible offers herself for re-appointment, be and is hereby re-appointed as Director of the Company."

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

8. **Item No. – 6**

To fix the remuneration of the Auditors for the Financial Year 2012-13.

POWERGRID being a Government Company, the Auditors of the Company are appointed by the Comptroller & Auditor General of India and remuneration of Auditors is fixed by the Members of the Company in the General Meeting. Accordingly, shareholders approval has been sought to authorize the Board of Directors of the Company to fix the remuneration for the Financial Year 2012-13.

Shri G. S. Nayyar (DPID -IN300441 and Client ID-10886635) proposed and Ms. Anjali (Client ID - 1202290000036426) seconded the following Ordinary Resolution:

"Resolved that the Board of Directors of the Company be and are hereby authorized, to fix and approve the remuneration of the three Joint Statutory Auditors appointed by the Comptroller and Auditor General of India for the financial year 2012-13 viz. (i) M/s S. K. Mehta & Co., (ii) M/s Sagar & Associates, and (iii) M/s Chatterjee & Co., for statutory audit and supplementary report on the accounts of the

Company under section 619 (3) of the Companies Act, 1956 and any other fee, as the Board may deem fit, after taking into account the recommendation of the Audit Committee in this regard."

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

Members were 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, Board of Directors approved the remuneration of ₹ 41.55 lakhs plus applicable taxes, for the F.Y. 2011-12, to the three Joint Statutory Auditors viz. (I) M/s S. K. Mehta & Co., (II) M/s Sagar & Associates, and (iii) M/s Chatterjee & Co., for statutory audit and supplementary report under Section 619 (3) of the Companies Act 1956, of POWERGRID, in addition to the reimbursement of actual travelling and out of pocket expenses. Further, Board of Directors delegated the power to Director (Finance) to approve remuneration for any additional services rendered by the Statutory Auditors in any other capacity, in accordance with Guidelines/Order of the C&AG of India.

Special Business

9. Item No. – 7

Enhancement of Borrowing Powers of the Board of Directors to ₹1,00,000 crore.

Shri Asholi Chalai, Representative of the President, (Ministry of Dev. of North Eastern Region) (DPID- IN301330 and Client ID- 20156259) proposed and Shri A. K. Saxena, Representative of the President (Ministry of Power) (DPID-IN301330 and Client ID-20155555) seconded the following Ordinary Resolution:

(i) "Resolved that in supersession of Resolution passed on 17th May, 2010 for enhancing the Borrowing Powers to ₹80,000 crore, approval of which was obtained from the Shareholders of the Company through Postal Ballot, the consent of the Company be and is hereby accorded to the Board of Directors under section 293 (1) (d) and other applicable provisions, if any, of the Companies Act, 1956 and the Articles of Association of the Company for borrowing, whether by way of Term Loan/Equipment Finance/Cash Credit facilities or the like from time to time any sum or sums of money

at its discretion from National/International Financial Institutions/ Banks or from Public/Bodies Corporate or from Government Body/Corporation or Govt. of India or by way of issue of Bonds from Domestic /International sources on such terms and conditions and with or without security as the Board of Directors may think fit, which together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the bankers of the Company in the ordinary course of business) **shall not exceed in the aggregate at any time ₹1,00,000 Crore (Rupees One Lac Crore Only)** irrespective of the fact that such aggregate amount of borrowings outstanding at anyone time may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose".

(ii) "Further resolved that pursuant to the provisions of section 293(1) (a) and other applicable provisions, if any, of the Companies Act, 1956 consent of the Company be and is hereby accorded to the Board of Directors of the Company to mortgage and/or create charge on all or anyone or more of the movable/immovable properties or such other assets of the Company, wheresoever situated, both present and future, on such terms and conditions and at such time or times and in such form or manner as it may deem fit, to or in favour of National/International Financial Institutions/Banks/Trustees for the Bondholders (in case of issue of Bonds) etc. hereinafter referred as "the lenders" to secure any Term Loans/Cash Credit Facilities/ Debentures/Bonds or the like, obtained/to be obtained from any of the aforesaid lenders together with interest thereon at the respective agreed rate(s), compound interest, additional interest, liquidated damage(s), commitment charge(s), premia on prepayment or on redemption, cost, charge(s), expenses and all other monies payable by the Company to such lenders under the respective loan/other agreement(s) entered/to be entered into between the Company and the lender(s) in respect of the said borrowing(s), such security to rank in such manner as may be agreed to between the Company with concerned lenders and as may be thought expedient by the Board."

(iii) "Further resolved that the Board of Directors be and is hereby authorised and it shall always be deemed to have been so authorised to finalise and execute with the Lenders/Trustees for the holders of the Bonds the requisite agreement, documents, deeds and writings for borrowing and/or for creating the aforesaid mortgage(s) and/or charge(s) and to do all such other

acts, deeds and things as may be necessary to give effect to the above resolutions".

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

After business items set out in the notice of Annual General Meeting were taken up, the Chairman invited the Members to offer their comments and observations.

The queries of the shareholders were appropriately replied by the Chairman of the meeting.

There being no other business, the meeting concluded with a vote of thanks to the Chair by the Company Secretary.

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