



POWER GRID CORPORATION OF INDIA LIMITED

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

POSTAL BALLOT NOTICE (Pursuant to Section 192A of the Companies Act, 1956)

**To,
The Shareholder (s),**

Sub: Passing of Resolution by Postal Ballot

Notice is hereby given that the proposed Resolutions are circulated for approval of the Shareholders of the Company to be accorded by Postal Ballot in accordance with the provision of Section 192A of the Companies Act, 1956 (the Act) read with the Companies (passing of the resolution by postal ballot) Rules, 2011. The Company is offering e-voting facility also to all the Shareholders of the Company.

The existing Articles of Association (AoA) of POWERGRID do not contain any provision relating to appointment of Additional Directors as provided under Section 260 of the Act. Accordingly, it is proposed to have a provision in the AoA to empower the Board to appoint Additional Directors. Further, Article 52 of AoA regarding "Appointment of Auditors" is proposed to be aligned with the provisions of Section 619 of the Act.

For alteration of Articles of Association of POWERGRID, it is mandatory to seek the approval of Shareholders of the Company by way of Special Resolution(s) as per the provisions of Section 31 of the Companies Act, 1956. Accordingly, the shareholders are requested to pass the resolutions proposed through Postal Ballot either electronically or through physical ballot.

The proposed Resolution and Explanatory Statement stating material facts and the reasons for the proposal are enclosed and a Postal Ballot form is also enclosed. The Company has appointed Ms. Savita Jyoti, Savita Jyoti Associates, Company Secretaries, a Practising Company Secretary, as Scrutinizer for conducting the Postal Ballot process in accordance with law.

Please read carefully the instructions printed in the Postal Ballot form and return the form duly completed in all respects in the enclosed self addressed pre-paid postage envelope so as to reach the Scrutinizer before the close of working hours on or before Monday, 22nd April, 2013.

The Scrutinizer will submit her report to the Chairman and Managing Director or Company Secretary of the Company after completion of the scrutiny. The result of the voting by Postal Ballot will be announced through a press release on Saturday, 27th April, 2013.

**By order of the Board
For Power Grid Corporation of India Limited**

**(Divya Tandon)
Company Secretary**

Date : 7th March, 2013.

Place : New Delhi

Special Business

Item No. 1

Alteration of Articles of Association of POWERGRID under Section 31 and other applicable provisions of the Companies Act, 1956.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"Resolved that the Articles of Association of Company be altered under the provisions of section 31 and other provisions, if any, as

may be applicable, of the Companies Act, 1956:

(A) by inserting a new Article as Article 31A, as enumerated herein below:

Additional Directors	31A	Subject to the provisions of Section 260 of the Act, the Board shall have power, at any time and from time to time to appoint a person/s appointed / recommended for appointment by the President of India as an additional director/s on the Board, but such that the total number of directors shall not at any time exceed the maximum number fixed by the articles. Any director so appointed shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for re-appointment.
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(B) by amending existing Article 52, as enumerated herein below:

Existing Article 52 'Appointment of Auditors'	Amended Article 52 'Appointment of Auditors'
The Auditor/Auditors of the Company shall be appointed or re-appointed by the Central Government on the advice of the Comptroller and Auditor General of India in accordance with the provisions of Section 619 of the Act.	The Auditor/Auditors of the Company shall be appointed or re-appointed by the Comptroller and Auditor General of India in accordance with the provisions of Section 619 of the Act.

Further resolved that the CMD / Director (Finance) / Company Secretary be and are hereby jointly or severally authorized to carry out minor modifications, if any, and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolutions.

EXPLANATORY STATEMENT PURSUANT TO SECTIONS 173(2) AND 192A OF THE COMPANIES ACT, 1956

Item No. 1

Alteration of Articles of Association of POWERGRID under Section 31 and other applicable provisions of the Companies Act, 1956.

(A) Insertion of new Article as Article 31A in Alteration of Articles of Association of POWERGRID:

The existing Articles of Association (AoA) of POWERGRID do not contain any provision relating to appointment of Additional Directors as provided under Section 260 of the Companies Act, 1956 ("the Act").

Accordingly, it is proposed to have a provision in the AoA to empower the Board to appoint the directors appointed/recommended for appointment by the President of India as Additional Directors under Section 260 of the Act and they will be appointed by the Shareholders at the succeeding General Meeting.

Therefore, it is proposed to amend the Articles of Association of POWERGRID to include a provision for appointment of Additional Directors by way of inserting a new Article 31A after Article 31 in the Articles of Association of POWERGRID:

Additional Directors	31A	Subject to the provisions of Section 260 of the Act, the Board shall have power, at any time and from time to time to appoint a person/s appointed / recommended for appointment by the President of India as an additional director/s on the Board, but such that the total number of directors shall not at any time exceed the maximum number fixed by articles. Any director so appointed shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for re-appointment.
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(B) Amendment of existing Article 52 in Alteration of Articles of Association of POWERGRID:

Existing Article 52 of Articles of Association (AoA) of POWERGRID regarding "Appointment of Auditors" is to be aligned with the provisions of Section 619 of the Act. as per which the Auditor(s) of a Government Company are required to be appointed/re-appointed by the Comptroller and Auditor General of India("C&AG") directly. Prior to this, the Central Government (Ministry of Corporate Affairs) used to appoint the Statutory Auditors' on the advice of C&AG. It is, therefore, proposed to amend the Articles of Association of POWERGRID by amending existing Article 52, as mentioned below, so as to align the AoA with the provisions of Section 619 of the Act:

Existing Article 52 Appointment of Auditors	Amended Article 52 Appointment of Auditors
The Auditor/Auditors of the Company shall be appointed or re-appointed by the Central Government on the advice of the Comptroller and Auditor General of India in accordance with the provisions of Section 619 of the Act.	The Auditor/Auditors of the Company shall be appointed or re-appointed by the Comptroller and Auditor General of India in accordance with the provisions of Section 619 of the Act.

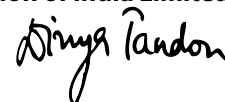
The shareholders are requested to pass the proposed resolutions through postal ballot as permissible under Section 192A of the Companies Act, 1956 read with Companies (passing of the resolution by postal ballot) Rules 2011 and Article 25 (ii) of the Articles

of Association of the Company.

None of the Directors is concerned or interested in the resolution except to the extent that he/she is a Director of the Company.

All the documents referred to in the accompanying Notice and explanatory Statement are open for inspection between 10.00 a.m. to 12.00 noon on all working days at the Corporate Office of the Company i.e. 'Saudamini', Plot No.2, Sector-29, Gurgaon-122 001 or at the Registered Office i.e. B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016 up to Monday, 22nd April, 2013.

**By order of the Board
For Power Grid Corporation of India Limited**



**(Divya Tandon)
Company Secretary**

Date : 7th March, 2013.

Place : New Delhi

Notes

1. The Explanatory Statement pursuant to Section 173(2) and Section 192A of the Companies Act, 1956 setting out material facts is annexed hereto.
2. The Notice is being sent to all the Shareholders, whose names appear on the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) on Friday, 8th March, 2013.
3. The Company has appointed Ms. Savita Jyoti, Savita Jyoti Associates, Company Secretaries, a Practising Company Secretary, as a Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.
4. In compliance with provisions of Section 192A of the Act read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, the Company is offering **e-voting facility** to all the Shareholders of the Company. For this purpose, the Company has entered into an agreement with NSDL for facilitating e-voting to enable the Shareholders to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional.

The instructions for Shareholders for e-voting are as under:

- (a) In case of Shareholders' receiving e-mail from NSDL
 - (i) Open e-mail and open PDF file viz; "POWERGRID e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" of Power Grid Corporation of India Limited
 - (viii) Now you are ready for e-Voting as Cast Vote page opens
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
 - (xii) **Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail savitajyoti@yahoo.com with a copy marked to evoting@nsdl.co.in.**

(b) In case of Shareholders' receiving Postal Ballot Form by Post:

- (i) Initial password is provided as below/at the bottom of the Postal Ballot Form.

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com.
- (d) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
- (e) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (f) In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following Telephone No.: 022-2499 4600.

Shareholders who have registered their e-mail IDs for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and others are sent by post along with Postal Ballot Form. Shareholders who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from the link www.evoting.nsdl.com or http://apps.powergridindia.com/powergrid/docs/powergrid_evoting.pdf or seek duplicate Postal Ballot Form from M/s. Karvy Computershare Private Limited, Unit: Power Grid Corporation of India Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081, fill in the details and send the same to the Scrutinizer.

5. **Kindly note that the Shareholders can opt only one mode of voting, i.e., either by Physical Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case Shareholders cast their vote by Physical Ballot and e-voting, then voting done through valid Physical Ballot shall prevail and voting done by e-voting will be treated as invalid.**
6. Shareholders desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed in the enclosed self addressed business reply envelope to the Scrutinizer. The postage cost will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered/speed post at the expense of the Shareholders will also be accepted.
7. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on Friday, 8th March, 2013.
8. The voting period ends on the close of working hours (i.e. 17:30 hours), Monday, 22nd April, 2013. The e-voting module shall also be disabled by NSDL for voting thereafter.
9. The Scrutinizer will submit his report to the Chairman and Managing Director or Secretary of the Company after completion of the scrutiny of the Postal Ballot Forms and the result of the Postal Ballot will be announced at the Registered Office of the Company situated at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016. The result of the Postal Ballot will also be displayed on the Company's website www.powergridindia.com and communicated to the stock exchanges where the Company's shares are listed. The result of the Postal Ballot will also be published in the newspapers on Saturday, 27th April, 2013, 2013. In the event, the draft resolution is assented to by the requisite majority of Shareholders by means of Postal Ballot, the date of declaration of Postal Ballot result shall be deemed to be the date of passing of the said resolution. The result of the Postal Ballot shall also be announced at the next Annual General Meeting of the Company.
10. The Board of Directors has appointed CMD / Director (Finance) / Company Secretary as the persons responsible for the entire postal ballot process.
12. All the documents referred to in the accompanying Notice and explanatory Statement are open for inspection between 10.00 a.m. to 12.00 noon on all working days at the Corporate Office of the Company i.e. 'Saudamini', Plot No.2, Sector-29, Gurgaon-122 001 or at the Registered Office i.e. B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016 up to Monday, 22nd April, 2013.

POWER GRID CORPORATION OF INDIA LIMITED

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



POSTAL BALLOT FORM

SERIAL No. _____

- Name(s) of Member(s)** : _____
(Including joint holders, if any)
(in block letters)
- Registered address of the sole/first named Member** : _____
- Registered folio No./ DP ID No./Client ID No.*** : _____
(*Applicable to investors holding shares in dematerialized form)
- Number of shares held** : _____
- I/We hereby exercise my/our vote in respect of the Special Resolution to be passed through postal ballot for the business stated in the Postal Ballot Notice of the Company by sending my/our assent (**FOR**) or dissent (**AGAINST**) to the said resolution by placing the tick (✓) mark at the appropriate box below:

Item No.	Item	Nature of Resolution	No. of shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	(A) Insertion of new Article 31A on 'Additional Directors'	Special Resolution			
	(B) Amendment in existing Article 52 on 'Appointment of Auditors'				

(Signature of the Member)

Place: _____

Date : _____

ELECTRONIC VOTING PARTICULARS

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

Last date for receipt of Postal Ballot Forms by Scrutinizer is Monday, 22nd April, 2013 (before the close of the working hours i.e. 17:30 hours)

Note: Please read the instructions printed overleaf carefully before exercising your vote.

INSTRUCTIONS

1. A Shareholder desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form (no other form or photocopy thereof is permitted) and send it to the Scrutinizer, Ms. Savita Jyoti, a Practicing Company Secretary in the attached self addressed business reply envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if sent by courier or registered/speed post at the expense of the Shareholder will also be accepted.
2. The self addressed business reply envelope bears the address of the Scrutinizer.
3. This Form should be completed and signed by the Shareholder (as per the specimen signature registered with the Company/Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Shareholder and in his absence, by the next named Shareholder. In case Postal Ballot Form is signed through a Delegatee, a copy of Power of Attorney attested by the Member shall be annexed to the Ballot.
4. The consent must be accorded by recording the assent in the Column '**FOR**' and dissent in the Column '**AGAINST**' by placing a tick (✓) mark in the appropriate column.
5. Duly completed Postal Ballot Form should reach the Company not later than Monday, 22nd April, 2013. before the close of the working hours i.e. 17:30 hours. All Postal Ballot Forms received after this date will be strictly treated as if reply from such Shareholder has not been received.
6. There will be only one Postal Ballot Form for every folio irrespective of the number of joint Shareholder(s).
7. In case of shares held by companies, trusts, societies etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board resolution/authority letter.
8. A Shareholder may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot form should reach the Scrutinizer not later than the last date of receipt of Postal Ballot Form, i.e., Monday, 22nd April, 2013.
9. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Shareholders as on Friday, 8th March, 2013.
10. Shareholders are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed business reply envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
11. A Shareholder need not use all the votes nor needs to cast all the votes in the same way.
12. The Scrutinizer's decision on the validity of a Postal Ballot will be final and binding.
13. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected.
14. The result of the Postal Ballot will also be posted on the website of the Company www.powergridindia.com and also in the newspaper(s) for the information of the Shareholders.
15. **The Company is pleased to offer e-voting facility as an alternate, for all the Shareholders of the Company to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional. The detailed procedure is enumerated in the Notes to the Postal Ballot Notice.**