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

संदर्भ संख्या/Ref. No.

CIN : L40101DL1989GOI038121

C/COS/Listing/NSE/ Dt: 10.08.2015

The GM (Listing)
National Stock Exchange of India Ltd.,
Exchange Plaza,
Plot No.C/1, G Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai

Ref: Symbol: POWERGRID; Series: EQ; ISIN: INE752E01010

Dear Sir,

Sub: **Unaudited Financial Results for the quarter ended 30th June, 2015.**

In pursuance of clause 41 of the Listing Agreement, a copy of Unaudited Financial Results for the quarter ended 30th June, 2015 is submitted please.

Thanking You,

Yours faithfully,

Divya Tandon

(Divya Tandon)
Company Secretary &
Compliance Officer

Encl: a/a

पंजीकृत कार्यालय: बी-9, कुतुब इंस्टीट्यूशनल एरिया, कटवारिया सराय, नई दिल्ली-110 016 दूरभाष: 011-26560121 फैक्स : 011-26560039 तार 'नेटग्रिड'
Registered Office: B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi-110 016 Tel.: 011-26560121 Fax : 011-26560039 Gram : 'NATGRID'

S. K. Mehta & Co.
Chartered Accountants
504, Kirti Mahal,
19, Rajendra Place,
New Delhi – 110 008.

Chatterjee & Co.
Chartered Accountants
153, Rash Behari Avenue,
3rd Floor,
Kolkata – 700 029.

Sagar & Associates
Chartered Accountants
H.No. 6 - 3 - 244 / 5,
Sarada Devi Street, Prem Nagar,
Hyderabad – 500 004.

LIMITED REVIEW REPORT

Board of Directors
Power Grid Corporation of India Limited
B-9, Qutab Institutional Area
Katwaria Sarai,
New Delhi – 11 00 16

We have reviewed the accompanying statement of unaudited standalone financial results of **Power Grid Corporation of India Limited** for the quarter ended 30th June, 2015 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We have conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material mis-statement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Basis of Qualified Conclusion

i) Company has not made provision of ₹ 10789 lakhs towards reduction in revenue recognized in earlier years, to provide the impact of the tariff order dated 30.06.2015 issued by the CERC re-determining the date of commercial operation from 01.07.2010 to 01.09.2011, as per directions of Appellate Authority for Electricity (ATE) for Barh-Balia Transmission line. Company's appeal is pending with Hon'ble Supreme Court against the order of the ATE / CERC. Pending decision of Hon'ble Supreme Court and in view of uncertainty involved, provision should have been made for the revenue recognized for the period under dispute.

ii) The Company has not made any provision in respect of outstanding dues of ₹ 1564 lakhs from one of the medium term open access customers (MTOA), which is under liquidation, under an order of the Hon'ble High Court of Calcutta. Moreover, no favorable order has been received in respect of the Company's petition before the Central Electricity Regulatory Commission for allowing the recovery of such dues from other beneficiaries. As the recovery of such dues is doubtful, provision should have been made in the accounts.

Both of the above two issues were subject matter of qualification in the Independent Auditors' Report on the financial statements for the Financial Year 2014-15.

Non provision of the above has resulted in increase in cumulative Profit after Tax by ₹ 9162 lakhs, which includes ₹ Nil for the quarter ended 30.06.2015.

Qualified Conclusion

Based on our review conducted as above, with the exceptions of the matters described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results read with notes thereon, prepared in accordance with applicable Accounting Standards and other recognized accounting practices and policies thereon, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S. K. Mehta & Co.
Chartered Accountants
Firm Regn. No. 000478 N

(CA Rohit Mehta)
Partner
Membership No. 091382

For Chatterjee & Co.
Chartered Accountants
Firm Regn. No. 302114 E

(CA Bedanta Bhattacharya)
Partner
Membership No. 060855

For Sagar & Associates
Chartered Accountants
Firm Regn. No. 003510 S

(CA V. Vidyasagar Babu)
Partner
Membership No. 027357

Place of Signature: New Delhi
Date: 10th August, 2015

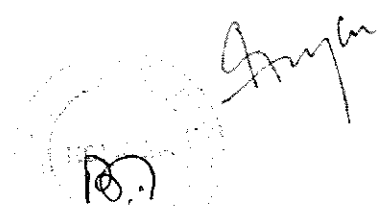
POWER GRID CORPORATION OF INDIA LTD. (A Govt. of India Enterprise)
B-9 QUTAB INSTITUTIONAL AREA, KATWARIA SARAI, NEW DELHI-110016.

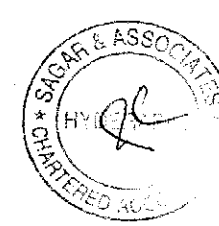
STATEMENT OF UN-AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2015

(₹ in lakhs)

Part - I				
PARTICULARS	**Quarter ended on**			**Year ended on**
	30.06.2015	**31.03.2015**	**30.06.2014**	**31.03.2015**
	(Un-audited)	**(Un-audited)**	**(Un-audited)**	**(Audited)**
1. Income from Operations				
a) Transmission Income	454016	442640	381294	1645086
b) Consultancy Income	8902	15676	6098	38060
c) Telecom Income	8783	7903	6450	27489
d) Other Operating Income	54	4103	343	7088
Total income from Operations	**471755**	**470322**	**394185**	**1717723**
2. Expenses				
a) Employee benefits expense	23028	28150	23126	102365
b) Depreciation and amortisation expenses	136951	141806	115503	508541
c) Transmission, Administration and Other expenses	34981	38799	30586	135516
d) Prior Period Adjustments : Expenses / (Income)	(2)	(2472)	3187	4712
Total Expenses	**194958**	**206283**	**172402**	**751134**
3. Profit from Operations before other income, finance costs and exceptional items (1-2)	**276797**	**264039**	**221783**	**966589**
4. Other Income	**7041**	**20634**	**13326**	**60281**
5. Profit from ordinary activities before finance costs and exceptional items (3+4)	**283838**	**284673**	**235109**	**1026870**
6. Finance costs	110905	103762	92794	397932
7. Profit from ordinary activities after finance costs but before exceptional items (5-6)	**172933**	**180911**	**142315**	**628938**
8. Exceptional Items	-	-	-	-
9. Profit from ordinary activities before Tax(7-8)	**172933**	**180911**	**142315**	**628938**
10. Tax Expenses				
a) Current Tax (Minimum Alternate Tax)	36490	35705	29446	128099
b) Deferred Tax	31855	36893	12027	82425
Total (a+b)	68345	72598	41473	210524
Less: Deferred Asset for Deferred Tax Liability	32063	32935	12809	79503
Total Tax Expenses	**36282**	**39663**	**28664**	**131021**
11. Net Profit from ordinary activities after tax (9-10)	**136651**	**141248**	**113651**	**497917**
12. Extraordinary Items (net of tax expenses)	-	-	-	-
13. Net Profit for the period (11-12)	**136651**	**141248**	**113651**	**497917**
14. Paid up Equity Share Capital (Face Value - ₹10/- per share)	523159	523159	523159	523159
15. Reserves excluding Revaluation Reserve as per balance sheet				3293500
16. Earnings per share (before extraordinary items)(not annualised) (₹/Share of ₹10 each calculated on Profit after Tax)				
(a) Basic	2.61	2.70	2.17	9.52
(b) Diluted	2.61	2.70	2.17	9.52
17. Earnings per share (after extraordinary items)(not annualised) (₹/Share of ₹10 each calculated on Profit after Tax)				
(a) Basic	2.61	2.70	2.17	9.52
(b) Diluted	2.61	2.70	2.17	9.52

Refer accompanying notes to the financial results





Part - II	Select Information			
PARTICULARS	Quarter ended on			Year ended on
	30.06.2015	31.03.2015	30.06.2014	31.03.2015
	(Un-audited)	(Un-audited)	(Un-audited)	(Audited)
A PARTICULARS OF SHAREHOLDING				
1. Public Shareholding				
- Number of shares	2202754450	2202754450	2202754450	2202754450
- Percentage of shareholding	42.10 %	42.10 %	42.10 %	42.10 %
2. Promoters and Promoter Group Shareholding				
(a) Pledged/ Encumbered				
Number of Shares	-	-	-	-
Percentage of share (as % of the total shareholding of promoter and promoter group)	-	-	-	-
Percentage of share (as % of the total share capital of the company)	-	-	-	-
(b) Non-encumbered				
Number of Shares	3028835198	3028835198	3028835198	3028835198
Percentage of share (as % of the total shareholding of promoter and promoter group)	100 %	100 %	100 %	100 %
Percentage of share (as % of the total share capital of the company)	57.90 %	57.90 %	57.90 %	57.90 %

	Particulars	Quarter ended 30.06.2015
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	0
	Received during the quarter	721
	Disposed of during the quarter	720
	Remaining unresolved at the end of the quarter	1

S.K. MEHTA & CO. NEW DELHI CHARTERED ACCOUNTANTS

SAGAR & ASSOCIATES HYDERABAD CHARTERED ACCOUNTANTS

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER ENDED 30th JUNE, 2015.

(₹ in lakhs)

	PARTICULARS	Quarter ended on			Year ended on
		30.06.2015	31.03.2015	30.06.2014	31.03.2015
		(Un-audited)	(Un-audited)	(Un-audited)	(Audited)
A.	**Segment Revenue (including allocable Other Income)**				
	- Transmission	457467	455857	385695	1674240
	- Consultancy	8998	15435	6121	38773
	- Telecom	9768	8839	6747	30095
	Total	**476233**	**480131**	**398563**	**1743108**
	Less: Inter Segment Revenue	967	909	268	2439
	Total Revenue including Other Income	**475266**	**479222**	**398295**	**1740669**
B.	**Segment Results**				
	Profit Before Interest and Tax				
	- Transmission	269898	257943	223111	957920
	- Consultancy	6203	11779	2770	25282
	- Telecom	4207	3217	12	6333
	Total Profit Before Interest and Tax	**280308**	**272939**	**225893**	**989535**
	Less :				
	Unallocated interest and finance charges	110905	103762	92794	397932
	Other unallocated expenditure net of unallocated income	(3530)	(11734)	(9216)	(37335)
	Profit before Tax	**172933**	**180911**	**142315**	**628938**
C.	**Capital Employed (Segment Assets - Segment Liabilities)**				
	- Transmission	9721290	9213007	7887473	9213007
	- Consultancy	(70969)	(74653)	(66266)	(74653)
	- Telecom	15515	25073	38570	25073
	Capital Employed in Segments	**9665836**	**9163427**	**7859777**	**9163427**
	- Unallocated Assets Less Liabilities	4348659	4157687	4438373	4157687
	Total	**14014495**	**13321114**	**12298150**	**13321114**

Notes

1. The operations of the Company are mainly carried out within the country and therefore, geographical segments are not applicable.
2. Previous periods' / year figures have been regrouped / rearranged wherever necessary.

SAGAR & ASSOCIATES * CHARTERED ACCOUNTANTS * HYDERABAD

Notes :

1. (a) In exercise of powers u/s 178 of the Electricity Act 2003, Central Electricity Regulatory Commission (CERC) has notified "CERC (Terms and Conditions of Tariff) Regulations 2014" vide order dated 21st February, 2014 for the determination of transmission tariff for the block period 2014-19.

   (b) Income on account of Transmission Charges for the quarter has been provisionally recognized based on "CERC (Terms and Conditions of Tariff) Regulations 2014" pending issuance of final tariff orders (wherever tariff petitions have been filed) and filing of tariff petitions in certain cases for block period 2014-19. However beneficiaries are being billed as follows:

      i) In respect of the assets commissioned prior to 31.03.2014, in accordance with the tariff approved and applicable as on 31st March 2014 as provided in CERC (Terms and conditions of Tariff) Regulations 2014.

      ii) In respect of assets commissioned after 31.03.2014 up to 90% of the tariff claimed wherever provisional orders have been issued by the CERC.

2. The Auditors have qualified their Limited Review Report on the financial results of the Company for the quarter ended 30.06.2015, as detailed below:

   i) Company has not made provision of ₹ 10789 lakhs towards reduction in revenue recognized in earlier years, to provide the impact of the tariff order dated 30.06.2015 issued by the CERC re-determining the date of commercial operation from 01.07.2010 to 01.09.2011 as per directions of Appellate Authority for Electricity (ATE) for Barh–Balia Transmission line. Company appeal is pending with Hon'ble Supreme Court against the order of the ATE / CERC. Pending decision of Hon'ble Supreme Court and in view of uncertainty involved, provision should have been made.

   ii) The Company has not made any provision in respect of outstanding dues of ₹ 1564 lakhs from one of the medium term open access customers (MTOA), which is under liquidation, pending decision on the appeal filed with CERC.

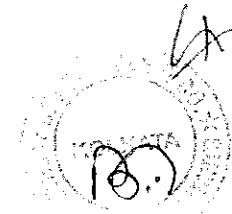
   Both of the above two issues were subject matter of qualification in the Auditors' Report on the financial statements for the FY 2014-15.

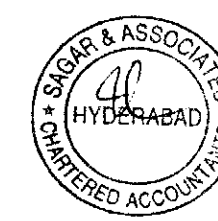
   Non provision of the above has resulted in increase in cumulative Profit after Tax by ₹ 9162 lakhs which includes ₹ nil for the quarter ended 30.06.2015.

   Regarding comment at (i) above, Management is of the view that, the Company is entitled for the transmission charges w.e.f. 01.07.2010, since the line was ready for regular service on completion of Company's scope of work and the declaration of DOCO on 01.07.2010 is correct as per CERC Tariff Regulations, 2009.

   However, as directed by Appellate Tribunal for Electricity (ATE) vide order dated 02.07.2012, CERC has now reviewed and re-determined the DOCO from 01.07.2010 (earlier approved) to 01.09.2011 vide order dated 30.06.2015. The Company has referred the matter to Hon'ble Supreme Court for appropriate relief against the above said CERC order and ATE order, which is genesis of the entire issue.

   Pending final decision regarding shifting of DOCO from 01.07.2010 to 01.09.2011 by the Hon'ble Supreme Court, no provision has been considered in the accounts for the FY 2014-15 and for the quarter ended 30.06.2015.





Regarding comment at (ii) above, Management is of the view that the MTOA is a transmission service provided on the margins available in the existing transmission network and the Company is not impacted (increase/decrease) due to grant of MTOA or cancellation thereof as per CERC regulations. Considering that the entire transmission charges are recoverable from long term customers, who have signed agreement for establishment of such transmission systems as per CERC sharing regulations, no provision is required towards the above dues.

3. The above results have been reviewed by the Audit Committee and have been approved by the Board of Directors in their respective meetings held on 10.08.2015.

4. The above results have been reviewed by the Statutory Auditors as required under clause 41 of the listing agreements.

5. Previous periods' / year figures have been regrouped / rearranged wherever necessary.

For and on behalf of **POWER GRID CORPORATION OF INDIA LTD.**

(B. N. Nayak)
Chairman & Managing Director

Place : New Delhi.
Date : 10.08.2015.