

Power Grid Corporation of India Limited

Minutes of the declaration of result of the Postal Ballot held on 8th October, 2010 at 2.00 p.m. at the Registered Office of POWERGRID, B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi – 110 016.

PRESENT:

- | | | | |
|----|-----------------------|---|------------------------------|
| 1. | Shri S. K. Chaturvedi | - | Chairman & Managing Director |
| 2. | Shri J. Sridharan | - | Director (Finance) |
| 3. | Shri I. S. Jha | - | Director (Projects) |
| 4. | Shri R. N. Nayak | - | Director (Operations) |
| 5. | Shri V. M. Kaul | - | Director (Personnel) |
| 6. | Ms. Savita Jyoti | - | Scrutinizer |
| 7. | Ms. Divya Tandon | - | Company Secretary |

Background

Pursuant to Section 192A(2) of the Companies Act, 1956, read with The Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, the Postal Ballot Notice dated 27th August, 2010 was sent to Members of the Company for passing the proposed Special Resolution by Postal Ballot. The dispatch of the aforesaid Notice to the Members of the Company was completed on 6th September, 2010 and the newspaper advertisement to this effect was published, both in English and Hindi, on 7th September, 2010.

In deference to the approval of the Board of Directors, Savita Jyoti Associates, Practicing Company Secretaries, had been appointed as Scrutinizer to receive and scrutinize the completed ballot forms received from the Members and for conducting the Postal Ballot process in a fair and transparent manner. The Postal Ballot Forms and the self-addressed business reply envelopes were also sent for casting of votes by the Members. The Members were requested to return the postal ballot forms duly completed along with the assent (for) or dissent (against), so as to reach the scrutinizer on or before 6th October, 2010.

After due scrutiny of all the postal ballot forms received up to the close of working hours of 6th October, 2010 (being last date fixed for return of the Postal Ballot forms duly filled in by the Members), Savita Jyoti Associates, Practicing Company Secretaries, submitted the report as under:

Total No. of Ballot Papers Received: 8,386

S.No.	Description	No. of Share-holders	No. of Shares	No. of Votes	Result
1	Votes in favour	7,703	3677172427	36771724270	Carried with requisite majority.
2	Votes against	250	417492	4174920	
3	Invalid Votes	433	102142	1021420	

The Chairman after receiving the Scrutinizer's Report announced that the Special Resolution in the Postal Ballot Notice dated 27th August, 2010, were duly passed by the requisite majority and directed that the resolution be recorded in the minute book recording the proceedings of General Meetings of the Members.

The special resolution duly approved by the Members is as under:

- (i) "RESOLVED that in accordance with the provisions of Section 81(1A) read with Section 192A and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended) and other applicable SEBI regulations and guidelines, the provisions of the Listing Agreements entered into by the Company with the Stock Exchanges upon which its equity shares are listed, the provisions of the Memorandum and Articles of Association of the Company, and subject to receipt of approval of the Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI) and all other appropriate authorities, and such other approvals, no objection, permissions and sanctions, as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, no objection, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board, the number and percentage of equity shares to be issued and allotted by the Company (the "Fresh Issue") and the number and percentage of equity shares to be offered and sold by the Government of India (the "Offer for Sale") and such other conditions as may be prescribed by the Government of India, approval be and is hereby accorded to offer, issue and allot new equity shares under the Fresh Issue and the Offer for Sale as decided by the President of India on behalf of the Government of India, and the Fresh Issue together with the Offer for Sale in the aggregate shall not exceed 20% of the pre-issue paid up capital of the Company (the "Issue") which comprises of fresh issue of 420,884,123 equity shares (10% of existing paid up capital); and offer for sale of 420,884,123 equity shares (10% of existing paid up capital) held by the President of India, to such person or persons, who may or may not be the shareholders of the Company, as the Board (or any duly constituted Committee thereof) may at its sole discretion decide, including eligible investors (whether residents and/or non-residents and/or institutions/incorporated bodies and/or individuals and/or trustees and/or banks or otherwise, in domestic and/or one or more international markets) including Non-resident Indians, Foreign Institutional Investors (FIIs), Venture Capital Funds, Foreign Venture Capital Investors, State Industrial Development Corporations, Insurance Companies, Provident Funds, Pension Funds, Development Financial Institutions, bodies corporate, companies, private or public or other entities, authorities and employees by way of an employee reservation and to such other persons in one or more combinations thereof through a public issue including the exercise of a green-shoe option, if any, at such price as may be determined whether through a book-building basis process with a specified price band or through 'Auction' method with a specified base / floor price or otherwise in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended), in consultation with advisors or such persons and on such terms and conditions as may be finalized by the Board".

- (ii) "RESOLVED FURTHER that the equity shares to be so allotted shall be subject to the Memorandum of Association and Articles of Association of the Company and shall rank pari passu in all respects with the existing equity shares of the Company including rights in respect of dividend".
- (iii) "RESOLVED FURTHER that for the purpose of giving effect to any offer, issue, transfer or allotment of equity shares, the Board be and is hereby authorized to determine the terms of the Issue, including the class of investors to whom the equity shares are to be allotted, the number of equity shares to be allotted in each tranche, issue price, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of investors (such as retail public, employees and existing shareholders), flexibility of part payment at the time of application by a class of investors (such as retail public, employees and existing shareholders), including through Application Supported by Blocked Amount (ASBA), and payment of balance amount on allotment of shares, exercise of a green-shoe option, if any, listing on one or more stock exchanges in India or abroad as the Board in its absolute discretion deems fit and to do all such acts, deeds, matters and things and execute such deeds, documents and agreements, as it may, in its absolute discretion, deem necessary, proper or desirable, and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise in regard to Follow on Public Offer, and the transfer, allotment and utilization of the Issue proceeds, and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions, as it may, in its absolute discretion, deem fit and proper in the best interests of the Company, without requiring any further approval of the members and that all or any of the powers conferred on the Company and the Board vide this resolution may be exercised by the Board or by any Committee of the Board thereof or by the CMD/Director (Finance) of the Company, as the Board may constitute/ authorise in this behalf".

(S. K. Chaturvedi)
Chairman & Managing Director

पावर ग्रिड कारपोरेशन ऑफ इंडिया लिमिटेड
(भारत सरकार का उद्यम)
POWER GRID CORPORATION OF INDIA LIMITED
(A Government of India Enterprise)



केंद्रीय कार्यालय : "सौदामिनी" प्लॉट सं-2, सेक्टर-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.

केंद्रीय कार्यालय / CORPORATE CENTRE

Announcement of Result of Postal Ballot

In accordance with Section 192A of the Companies Act, 1956, read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001, Postal Ballot Forms & Postal Ballot Notice dated 27th August, 2010 containing Special Resolution under Section 81 (1A) of the Companies Act, 1956 for issuance of Equity shares under the Follow on Public Offer (FPO) by Power Grid Corporation of India Limited were circulated to the Shareholders of the Company.

Based on the report dated 7th October, 2010 submitted by Savita Jyoti, Practising Company Secretary, the Scrutinizer, appointed under Section 192A of the Companies Act, 1956, I declare that the following resolution is duly passed by the requisite majority.

Type of Resolution	Description	Result
Special Resolution	<p>Issuance of shares under Follow on Public Offer (FPO) by POWERGRID - of 84,17,68,246 equity shares of face value of ₹ 10 each constituting 20% of existing paid up capital comprising-</p> <p>a) Fresh Issue of 420,884,123 equity shares (10% of existing paid up capital); and</p> <p>b) Offer for sale (Disinvestment) of 420,884,123 equity shares (10% of existing paid up capital by Selling Shareholder i.e. President of India.)</p>	Carried with requisite majority.

For Power Grid Corporation of India Limited

Chairman & Managing Director

Date : 08.10.2010
Place: New Delhi

Power Grid Corporation of India Limited
(A Government of India Enterprise)

Regd. Office : B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi- 110016.
Corp. Off.: "Saudamini", Plot No. 2, Sector-29, Gurgaon-122001 (Haryana)



RESULT OF POSTAL BALLOT DECLARED ON 8TH OCTOBER, 2010

The Shareholders of the Company have approved with requisite majority, the Special Resolution under Section 81 (1A) of the Companies Act, 1956 for issuance of Equity shares under the Follow on Public Offer (FPO) by Power Grid Corporation of India Limited circulated for passing through Postal Ballot pursuant to Section 192A of the Companies Act, 1956 vide notice dated 27th August, 2010.

The details of voting are as under

Total No. of Ballot Papers Received: 8,386

S.No.	Description	No. of Share-holders	No. of Shares	No. of Votes	Result
1	Votes in favour	7,703	3677172427	36771724270	Carried with requisite majority.
2	Votes against	250	417492	4174920	
3	Invalid Votes	433	102142	1021420	

For Power Grid Corporation of India Limited

S.K. Chaturvedi
Chairman & Managing Director

Date: 08.10.2010

Place: New Delhi

SAVITA JYOTI ASSOCIATES
C O M P A N Y S E C R E T A R I E S

CS. SAVITA JYOTI, U.Cem., F.C.S**SCRUTINISER'S REPORT**

The Company Secretary
Power Grid Corporation of India Ltd
"Saudamini"
Plot No.2, Sector-29, 7th Floor
Gurgaon - 122 001

Madam,

1. The Board of Directors of the Company at its meeting held on 27.08.2010 has appointed me as a Scrutinizer for conducting the postal ballot voting process.

2. I submit my report as under:

The Company has completed on 06.09.2010 the dispatch of postal ballot forms along with postage prepaid business reply envelope to its members whose name(s) appeared on the Register of members / list of beneficiaries.

Particulars of all postal ballot forms received from the Members have been entered in a register separately maintained for the purpose.

The postal ballot forms were kept under my safe custody in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.

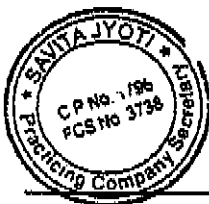
The ballot boxes were opened in my presence.

The postal ballot forms were duly opened in my presence and scrutinized and the shareholding was matched / confirmed with the Register of Members of the Company.

All postal ballot forms received up to the close of working hours on 06.10.2010, the last date and time fixed by the company for receipt of the forms, were considered for my scrutiny.

Envelopes containing postal ballot forms received after 06.10.2010 were not considered for my scrutiny.

Envelopes containing postal ballot forms returned undelivered were also not opened and they are separately kept.



SAVITA JYOTI ASSOCIATES

COMPANY SECRETARIES

CS. SAVITA JYOTI, B.Com., FCS

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8386 total number of Ballot Papers received. The details of voting are as under:

S.No.	Description	No. of Shareholders	No. of Shares	No. of Votes
	Resolution-I			
1	Votes in favour	7703	3677172427	36771724270
2	Votes against	250	417492	4174920
3	Invalid Votes	433	102142	1021420

The postal ballot forms and the related papers / registers and records being handed over for safe custody to the Company Secretary, Ms. Divya Tandon.

You may accordingly declare the results of the postal ballot voting.

Thanking you,

Yours faithfully,
For SAVITA JYOTI ASSOCIATES

Savita Jyoti

C.S. SAVITA JYOTI
Scrutinizer

Date: 07.10.2010

SAVITA JYOTI, FCS 3738
Practicing Company Secretary
Certificate of Practice No. 1796