

S. K. Mehta & Co.
Chartered Accountants
 2682/2, Beadon Pura,
 Karol Bagh
 New Delhi – 110005.

Chatterjee & Co.
Chartered Accountants
 153, Rash Behari Avenue,
 3rd Floor,
 Kolkata – 700029.

Sagar & Associates
Chartered Accountants
 H.No. 6 / 3 / 244 / 5,
 Sarada Devi Street, Prem Nagar,
 Hyderabad – 500004.

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 financial results of Power Grid Corporation of India Limited for the quarter and nine months ended 31st December, 2011 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 misstatement. 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 opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited 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

(Rohit Mehta)
 Partner

Membership No. 91382

Place : New Delhi
 Date : 08.02.2012



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

(S. K. Chatterjee)
 Partner

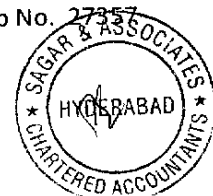
Membership No. 03124



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

(V. Vidyasagar Babu)
 Partner

Membership No. 27357



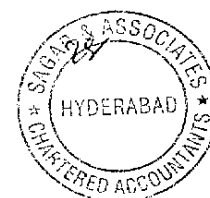
POWER GRID CORPORATION OF INDIA LTD. (A Govt. of India Enterprise)
B-9 QUTAB INSTITUTIONAL AREA, KATWARIA SARAI, NEW DELHI-110016.

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2011

(₹ in lacs)

PARTICULARS	Quarter ended on			Nine Months ended on		Year ended on 31.03.2011 (Audited)
	31.12.2011	30.09.2011	31.12.2010	31.12.2011	31.12.2010	
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	
1. Revenue from Operations						
a) Transmission Income	225420	204161	190730	633995	568289	769064
b) Consultancy Income	7340	6955	5589	19901	20784	29935
c) Telecom Income	5361	5005	4205	14907	13142	18720
d) Short Term Open Access	8541	10314	4688	24543	15572	21151
Total Revenue from Operations	246662	226435	205212	693346	617787	838870
2. Expenditure						
I. a) Staff Cost	19976	19220	18831	60292	58098	74589
b) Other O&M Expenditure	16419	17433	13637	48458	40260	59149
Total Expenditure other than Depreciation	36395	36653	32468	108750	98358	133738
II. Depreciation	67923	59663	57092	185489	161643	219939
Total Expenditure	104318	96316	89560	294239	260001	353677
3. Profit from Operations before Other income, Interest & Finance Charges, Prior Period Adjustments and Exceptional Items	142344	130119	115652	399107	357786	485193
4. Other Income	10958	19420	9311	44277	34002	63243
5. Profit before Interest & Finance Charges, Prior Period Adjustments and Exceptional Items	153302	149539	124963	443384	391788	548436
6. Interest & Finance Charges						
a) Interest & Other Charges	47057	45933	38483	134894	115353	155696
b) Rebate to Customers	1391	2795	1996	6741	5774	10278
c) Foreign Exchange Rate Variation (including adjustment to Borrowing Cost and net of amount recoverable from beneficiaries) : Loss/(Gain)	(1103)	6834	31	5306	288	(448)
Total Interest & Finance Charges	47345	55562	40510	146941	121415	165526
7. Profit Before Tax, Prior Period Adjustments and Exceptional Items	105957	93977	84453	296443	270373	382910
8. Prior Period Adjustments : Expenses / (Income)	311	(211)	467	225	697	437
9. Exceptional Items	-	-	-	-	-	-
10. Profit before Tax	105646	94188	83986	296218	269676	382473
11. Provision for Taxation						
a) Current Tax (Minimum Alternate Tax)	20665	17830	13022	57090	48866	68461
b) Deferred Tax	4058	5484	11845	16802	26233	44323
Total Provision for Taxation	24723	23314	24867	73892	75099	112784
12. Net Profit after Tax	80923	70874	59119	222326	194577	269689
13. Extraordinary Items (net of tax expenses)	-	-	-	-	-	-
14. Net Profit for the period (12-13)	80923	70874	59119	222326	194577	269689
15. Paid up Equity Share Capital	462973	462973	462973	462973	462973	462973
16. Reserves excluding Revaluation Reserve	-	-	-	-	-	1673727
17. Basic and Diluted Earning Per Share (*) (₹/Share of Rs 10 each calculated on Profit after Tax)	1.75	1.53	1.35	4.80	4.56	6.19
18. Public Shareholding						
- Number of shares	1415701141	1415701141	1415701141	1415701141	1415701141	1415701141
- Percentage of shareholding	30.58 %	30.58 %	30.58 %	30.58 %	30.58 %	30.58 %
19. 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	3214024212	3214024212	3214024212	3214024212	3214024212	3214024212
Percentage of share (as % of the total shareholding of promoter and promoter group)	100 %	100 %	100 %	100 %	100 %	100 %
Percentage of share (as % of the total share capital of the company)	69.42 %	69.42 %	69.42 %	69.42 %	69.42 %	69.42 %

* EPS figures for the quarter/ nine months have not been Annualised.



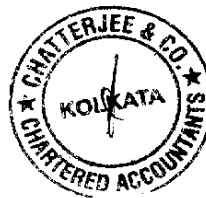
(₹ in lacs)

Segment wise Revenue, Results and Capital Employed

Particulars		Quarter ended 31.12.2011 (Un-audited)	Quarter ended 30.09.2011 (Un-audited)	Quarter ended 31.12.2010 (Un-audited)	Nine Months ended 31.12.2011 (Un-audited)	Nine Months ended 31.12.2010 (Un-audited)	Year ended 31.03.2011 (Audited)
A.	Segment Revenue including Other Income						
	- Transmission	234190	229578	201376	684240	593592	818205
	- Consultancy	7056	7250	5660	19764	20966	29214
	- RLDCs - POSOCO Assets	-	-	-	-	14662	14425
	- ULDCs - Other Assets	11012	4000	3298	18681	9427	21477
	- Telecom	5459	5101	4498	15178	13677	19161
	Total	257717	245929	214832	737863	652324	902482
	Less: Inter Segment Revenue	97	74	309	240	535	369
	Total Revenue including Other Income	257620	245855	214523	737623	651789	902113
B.	Segment Results Profit Before Tax						
	- Transmission	97325	90870	79325	279974	251655	348348
	- Consultancy	4797	3582	3216	10503	11289	16528
	- RLDCs - POSOCO Assets	-	-	-	-	2924	2019
	- ULDCs - Other Assets	1987	(461)	1061	2876	2703	12236
	- Telecom	1537	197	384	2865	1105	3342
	Total Profit Before Tax	105646	94188	83986	296218	269676	382473
C.	Segment Capital Employed						
	- Transmission	7404947	7008197	6036880	7404947	6036880	6282309
	- Consultancy	(163813)	(169267)	(153176)	(163813)	(153176)	(199388)
	- RLDCs - POSOCO Assets	-	-	11746	-	11746	11320
	- ULDCs - Other Assets	83048	88257	91472	83048	91472	94010
	- Telecom	29061	31642	49680	29061	49680	36485
	Total Segment Capital Employed	7353243	6958829	6036602	7353243	6036602	6224736

Notes

- Assets pertaining to 'RLDCs-POSOCO Assets' segment have been taken over by Power System Operation Corporation Ltd., a 100% subsidiary of the Company, w.e.f. 01.10.2010. Hence current quarter and nine months figures are nil for 'RLDCs-POSOCO Assets' segment.
- Profit of Telecom segment has been increased by the amount of inter segment revenue with a corresponding decrease in profit of Transmission segment.
- While calculating segment wise capital employed, entire deferred tax liability has been considered and included in transmission segment.
- Investment assets and income thereon are included in Transmission Segment.
- The operations of the Company are mainly carried out within the country and therefore, geographical segments are not applicable.



Notes :

1. Pending determination of final tariff by the Central Electricity Regulatory Commission (CERC) for certain transmission systems, Transmission income of ₹42831 lacs for the quarter and ₹184071 lacs for the nine months ended on 31.12.2011 (corresponding previous quarter ₹174996 lacs and nine months ₹ 521086 lacs) has been provisionally recognized based on the CERC tariff norms for the block period 2009-14 as per accounting policy of the company.

Out of the above provisional recognition of income of ₹184071 lacs, the Company has received provisional tariff orders for the income of ₹172445 lacs for billing to the beneficiaries.
2. During the quarter, the Company has reassessed the amount of FERV loss recoverable from the Beneficiaries in terms of CERC Tariff Regulations, 2009 pursuant to the clarification given by the CERC vide order dated 21.12.2011 to one of the Generating Company regarding the FERV loss recoverable from the Beneficiaries.
3. In view of option allowed by Ministry of Corporate Affairs vide its notification dated 29.12.2011 on Accounting Standard-11, the Company, during the quarter, has capitalized the Foreign Exchange Rate Variation (FERV) loss arising on account of settlement /restatement of long term monetary liabilities relating to depreciable capital assets. Consequently, FERV loss which was hitherto charged to profit & loss account has been adjusted in cost of related Fixed Assets/ Capital Work in Progress. As a result, profit before tax for the quarter and nine months ended 31.12.2011 after considering the amount of FERV loss recoverable from beneficiaries as per CERC Tariff Regulations, 2009 is higher by ₹3137 lacs.
4. Out of the issue proceeds of Follow on Public Offer (FPO) of ₹371289 lacs (net of Issue Expenses), the Company has utilized ₹180000 lacs till 31.12.2011, as per objects of the issue, for part financing of capital expenditure on the projects specified for utilization and the balance amount has been invested in Term Deposits with Bank.
5. Interim dividend of ₹0.80 per share (face value ₹10/- each) for the financial year 2011-12 has been recommended by the Board of Directors in its meeting held on 08.02.2012.
6. (i) Status of investor complaints received and attended, regarding equity shares, during the quarter ended 31.12.2011 is given as under :

	Opening Balance	Additions*	Attended*	Closing Balance
No. of Complaints	5	475	439	41

* includes references and communications

- (ii) As at 31.12.2011, no investor's complaint / grievance is lying un-resolved in respect of Bonds issued by the Company. Clarifications, as and when sought by investors, have been furnished.
7. The above results have been reviewed by the Audit Committee and have been approved by the Board of Directors at its meeting held on 08.02.2012.
8. The above results have been reviewed by the Statutory Auditors as required under clause 41 of the listing agreements.
9. Previous period figures have been regrouped / rearranged wherever necessary.

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

(R. N. Nayak)

Chairman & Managing Director

Place : New Delhi.

Date : 08.02.2012.

