

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

**Chatterjee & Co.**  
**Chartered Accountants**  
153, Rash Behari Avenue,  
3<sup>rd</sup> 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

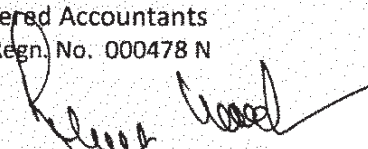
Board of Directors  
Power Grid Corporation of India Limited  
B-9, Qutab Institutional Area  
Katwaria Sarai,  
New Delhi – 11 00 16

We have reviewed the accompanying statement of unaudited standalone financial results of Power Grid Corporation of India Limited for the quarter and half year ended 30<sup>th</sup> September, 2014 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.

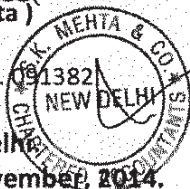
We have conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review 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.

Based on our review conducted as above, 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 Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014) 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.

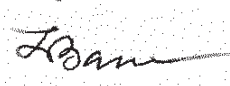
**For S. K. Mehta & Co.**  
Chartered Accountants  
Firm Regn. No. 000478 N

  
(Rohit Mehta)  
Partner  
Membership No. 181382

Place : New Delhi  
Date : 11<sup>th</sup> November, 2014.




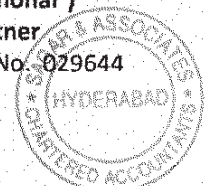
**For Chatterjee & Co.**  
Chartered Accountants  
Firm Regn. No. 302114 E

  
(R. N. Basu)  
Partner  
Membership No. 050430



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

  
(D. Manohar)  
Partner  
Membership No. 029644



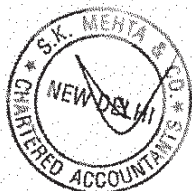
POWER GRID CORPORATION OF INDIA LTD. (A Govt. of India Enterprise)  
B-9 QUTAB INSTITUTIONAL AREA, KATWARIA SARAI, NEW DELHI-110016.

STATEMENT OF STANDALONE UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014

(₹ in lakhs)

Part - I	PARTICULARS	Quarter ended on			Half Year ended on		Year ended on
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Audited)
1.	<b>Income from Operations</b>						
	a) Transmission Income	402981	381294	369486	784275	708100	1425005
	b) Consultancy Income - Services	6101	6098	5617	12199	12176	33248
	c) Consultancy Income - Sale of Products	-	-	15714	-	18613	29407
	d) Telecom Income	6248	6450	7347	12698	14650	27614
	e) Other Operating Income	2524	343	1785	2867	2406	7754
	<b>Total Income from Operations</b>	<b>417854</b>	<b>394185</b>	<b>399949</b>	<b>812039</b>	<b>755945</b>	<b>1523028</b>
2.	<b>Expenses</b>						
	a) Purchase of Stock in Trade	-	-	11489	-	13792	21940
	b) Employee benefits expense	25705	23126	22988	48831	46166	94168
	c) Depreciation and amortisation expense	121163	115503	96598	236666	193038	399568
	d) Transmission, Administration and Other expenses	33115	30586	26604	63701	51205	111286
	e) Prior Period Adjustments : Expenses / (Income)	1047	3187	549	4234	(55)	2052
	<b>Total Expenses</b>	<b>181030</b>	<b>172402</b>	<b>158228</b>	<b>353432</b>	<b>304146</b>	<b>629014</b>
3.	<b>Profit from Operations before other income, finance costs and exceptional items (1-2)</b>	<b>236824</b>	<b>221783</b>	<b>241721</b>	<b>458607</b>	<b>451799</b>	<b>894014</b>
4.	<b>Other Income</b>	<b>13072</b>	<b>13326</b>	<b>10494</b>	<b>26398</b>	<b>17901</b>	<b>49113</b>
5.	<b>Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>249896</b>	<b>235109</b>	<b>252215</b>	<b>485005</b>	<b>469700</b>	<b>943127</b>
6.	<b>Finance costs</b>	<b>98909</b>	<b>92794</b>	<b>80141</b>	<b>191703</b>	<b>156126</b>	<b>316752</b>
7.	<b>Profit from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>150987</b>	<b>142315</b>	<b>172074</b>	<b>293302</b>	<b>313574</b>	<b>626375</b>
8.	<b>Exceptional Items</b>	-	-	-	-	-	-
9.	<b>Profit from ordinary activities before Tax(7-8)</b>	<b>150987</b>	<b>142315</b>	<b>172074</b>	<b>293302</b>	<b>313574</b>	<b>626375</b>
10.	<b>Tax Expenses</b>						
	a) Current Tax (Minimum Alternate Tax)	31064	29446	34940	60510	63904	127413
	b) Deferred Tax	15682	12027	13214	27709	21716	49220
	Total (a+b)	46746	41473	48154	88219	85620	176633
	Less: Deferred Tax Recoverable	15886	12809	-	28695	-	-
	<b>Total Tax Expense</b>	<b>30860</b>	<b>28664</b>	<b>48154</b>	<b>59524</b>	<b>85620</b>	<b>176633</b>
11.	<b>Net Profit from ordinary activities after tax (9-10)</b>	<b>120127</b>	<b>113651</b>	<b>123920</b>	<b>233778</b>	<b>227954</b>	<b>449742</b>
12.	<b>Extraordinary items (net of tax expense)</b>	-	-	-	-	-	-
13.	<b>Net Profit for the period (11-12)</b>	<b>120127</b>	<b>113651</b>	<b>123920</b>	<b>233778</b>	<b>227954</b>	<b>449742</b>
14.	<b>Paid up Equity Share Capital (Face Value - ₹10/- per share)</b>	<b>523159</b>	<b>523159</b>	<b>462973</b>	<b>523159</b>	<b>462973</b>	<b>523159</b>
15.	<b>Paid up Debt Capital</b>	-	-	-	<b>8810960</b>	<b>7770999</b>	<b>8046985</b>
16.	<b>Reserves excluding Revaluation Reserve as per balance sheet</b>	-	-	-	-	-	<b>2922804</b>
17.	<b>Bonds Redemption Reserve</b>	-	-	-	<b>531712</b>	<b>447135</b>	<b>488661</b>
18.	<b>Earnings per share (before extraordinary items)(not annualised) (₹/Share of ₹10/- each calculated on Profit after Tax)</b>						
	(a) Basic	2.30	2.17	2.67	4.47	4.92	9.36
	(b) Diluted	2.30	2.17	2.67	4.47	4.92	9.36
19.	<b>Earnings per share (after extraordinary items)(not annualised) (₹/Share of ₹10/- each calculated on Profit after Tax)</b>						
	(a) Basic	2.30	2.17	2.67	4.47	4.92	9.36
	(b) Diluted	2.30	2.17	2.67	4.47	4.92	9.36
20.	<b>Debt Equity Ratio</b>	-	-	-	<b>71:29</b>	<b>73:27</b>	<b>70:30</b>
21.	<b>Debt Service Coverage Ratio (DSCR)</b>	-	-	-	<b>2.19</b>	<b>2.33</b>	<b>2.14</b>
22.	<b>Interest Service Coverage Ratio (ISCR)</b>	-	-	-	<b>4.04</b>	<b>4.57</b>	<b>4.50</b>

Refer accompanying notes to the financial results



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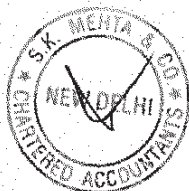


**Part - II Select Information for the Quarter and Half Year ended 30th September, 2014.**

PARTICULARS	Quarter ended on			Half Year ended on		Year ended on
	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Audited)
<b>A PARTICULARS OF SHAREHOLDING</b>						
1. Public Shareholding						
- Number of shares	2202754450	2202754450	1415701141	2202754450	1415701141	2202754450
- Percentage of shareholding	42.10 %	42.10 %	30.58 %	42.10 %	30.58 %	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	3214024212	3028835198	3214024212	3028835198
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)	57.90 %	57.90 %	69.42 %	57.90 %	69.42 %	57.90 %

Particulars	Quarter ended on 30.09.2014
<b>B INVESTOR COMPLAINTS</b>	
Pending at the beginning of the quarter	3
Received during the quarter	274
Disposed of during the quarter	275
Remaining unresolved at the end of the quarter	2

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Segment wise Revenue, Results and Capital Employed for the Quarter and half year ended 30th September, 2014

(₹ in lakhs)

PARTICULARS	Quarter ended on			Half Year ended on		Year ended on
	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Audited)
<b>A. Segment Revenue (including allocable Other Income)</b>						
- Transmission	408683	385695	376100	794378	719636	1452772
- Consultancy	6170	6121	21733	12291	31340	63274
- Telecom	6743	6747	7681	13490	15256	28821
<b>Total</b>	<b>421596</b>	<b>398563</b>	<b>405514</b>	<b>820159</b>	<b>766232</b>	<b>1544867</b>
Less: Inter Segment Revenue	479	268	272	747	539	1105
<b>Total Revenue including Other Income</b>	<b>421117</b>	<b>398295</b>	<b>405242</b>	<b>819412</b>	<b>765693</b>	<b>1543762</b>
<b>B. Segment Results</b>						
<b>Profit Before Interest and Tax</b>						
- Transmission	235845	223111	237156	458956	444390	876890
- Consultancy	3226	2770	6748	5996	11196	28485
- Telecom	1016	12	3110	1028	5961	9373
<b>Total Profit Before Interest and Tax</b>	<b>240087</b>	<b>225893</b>	<b>247014</b>	<b>465980</b>	<b>461547</b>	<b>914748</b>
Less:						
Unallocated interest and finance charges	98909	92794	80141	191703	156126	316752
Other unallocated expenditure net of unallocated income	(9809)	(9216)	(5201)	(19025)	(8153)	(28379)
<b>Profit before Tax</b>	<b>150987</b>	<b>142315</b>	<b>172074</b>	<b>293302</b>	<b>313574</b>	<b>626375</b>
<b>C. Capital Employed (Segment Assets - Segment Liabilities)</b>						
- Transmission	8364100	7887473	6831219	8364100	6831219	7442450
- Consultancy	(65330)	(66266)	(59321)	(65330)	(59321)	(65412)
- Telecom	27820	38570	35173	27820	35173	37725
<b>Capital Employed in Segments</b>	<b>8326590</b>	<b>7859777</b>	<b>6807071</b>	<b>8326590</b>	<b>6807071</b>	<b>7414763</b>
- Unallocated Assets Less Liabilities	4584299	4438373	4015827	4584299	4015827	4348185
<b>Total</b>	<b>12910889</b>	<b>12298150</b>	<b>10822898</b>	<b>12910889</b>	<b>10822898</b>	<b>11762948</b>

Notes

1. The operations of the Company are mainly carried out within the country and therefore, geographical segments are not applicable.
2. Figures reported for Consultancy Segment also include amount related to Sale of Products.
3. Previous periods' / year figures have been regrouped / rearranged wherever necessary.

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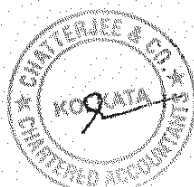
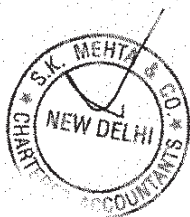
**Power Grid Corporation of India Limited**  
Standalone Statement of Assets and Liabilities

(₹ in lakhs)

Particulars	As at	As at
	30.09.2014 (Un-audited)	31.03.2014 (Audited)
<b>I. EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' funds</b>		
(a) Share capital	523159	523159
(b) Reserves and surplus	3156770	2922804
<b>Sub-total - Shareholders' funds</b>	<b>3679929</b>	<b>3445963</b>
<b>2 Deferred Revenue</b>	469395	451746
<b>3 Non-current liabilities</b>		
(a) Long-term borrowings	8401906	7679022
(b) Deferred tax liabilities (Net)	243307	244296
(c) Other long term liabilities	104496	133730
(d) Long-term provisions	52130	52437
<b>Sub-total - Non-current liabilities</b>	<b>8801839</b>	<b>8109485</b>
<b>4 Current liabilities</b>		
(a) Short-term borrowings	420000	270000
(b) Trade payables	17615	32907
(c) Other current liabilities	1556785	1552004
(d) Short-term provisions	100731	96802
<b>Sub-total - Current liabilities</b>	<b>2095131</b>	<b>1951713</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>15046294</b>	<b>13958907</b>
<b>II. ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Fixed assets (#)	11619203	10500548
(b) Construction stores	1560012	1762530
(c) Non-current investments	90008	81433
(d) Deferred foreign currency fluctuation asset	266586	249057
(e) Long-term loans and advances	400048	455299
<b>Sub-total Non-current assets</b>	<b>13935857</b>	<b>13048867</b>
<b>2 Current assets</b>		
(a) Current investments	18435	18435
(b) Inventories	72231	71240
(c) Trade receivables	216289	157846
(d) Cash and Bank balances (*)	544385	441752
(e) Short-term loans and advances	41342	47204
(f) Other current assets	217755	173563
<b>Sub-total - Current assets</b>	<b>1110437</b>	<b>910040</b>
<b>TOTAL - ASSETS</b>	<b>15046294</b>	<b>13958907</b>

(#) Fixed assets as at 30th September, 2014 include Capital Work in Progress of ₹3590599 lakhs ( ₹3185141 lakhs as at 31st March, 2014).

(\*) Cash and Bank balance as at 30th September, 2014 includes un-utilised FPO proceeds of ₹ 200000 lakhs ( ₹ 297500 lakhs as at 31st March, 2014 ) kept as fixed deposits in banks.



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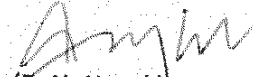
**Notes :**

1. (i) In exercise of powers u/s 178 of Electricity Act 2003, Central Electricity Regulatory Commission (CERC) has notified "CERC (Terms and Conditions of Tariff) Regulations 2014" vide order dated 21<sup>st</sup> February, 2014 for the determination of transmission tariff for the block period 2014-2019.  
(ii) Pending filing of petitions and issue of tariff orders by the CERC, income on account of Transmission Charges for the quarter and half year ended 30<sup>th</sup> September, 2014 has been provisionally recognized based on the transmission tariff norms applicable for the block period 2014-2019.  
(iii) In respect of assets commissioned prior to 31<sup>st</sup> March, 2014, beneficiaries are being billed in accordance with the tariff approved and applicable as on 31<sup>st</sup> March, 2014 as provided in the CERC (Terms and Conditions of Tariff) Regulations, 2014. In respect of assets commissioned after 31<sup>st</sup> March, 2014, beneficiaries are being billed wherever provisional tariff orders are received.
2. The profit before tax and transmission income for the quarter and half year ended 30<sup>th</sup> September, 2013 included ₹20971 lakhs being recognition of one time differential tariff for one of the transmission systems on the basis of issue of an interim order by the Hon'ble Supreme Court directing the CERC to proceed with determination of tariff for the said Transmission System.
3. The tariff norms for the block period 2014-2019 notified by the CERC provide that the recovery of Income Tax from the beneficiaries is to be based on the effective tax rate for a financial year which shall be based on the actual tax paid during the year. Accordingly, deferred tax liability provided for the quarter and half year ended 30<sup>th</sup> September, 2014 relating to transmission segment is shown as recoverable from beneficiaries as the same will be recovered in the form of current tax in future period in terms of above said tariff norms.
4. During the quarter, material for construction of Substations (including HVDC) is being transferred to Capital Work in Progress (CWIP) during the progress of erection work as against earlier practice of transferring the same on the completion of erection work. The change of practice has resulted in increase in CWIP amount by ₹193028 lakhs with corresponding reduction in Construction Stores.
5. The Company has revised depreciation rates on certain fixed assets w.e.f. 01<sup>st</sup> April, 2014 as per useful life specified in schedule II of the Companies Act, 2013 as reassessed by the company. Accordingly, the company has accounted for additional depreciation charge of ₹538 lakhs and ₹1026 lakhs during the quarter and half year ended 30<sup>th</sup> September, 2014 respectively and ₹5 lakhs (net of deferred tax) in reserves in terms of the transitional provisions of said schedule II. Thus, by charging depreciation at the revised depreciation rates, the depreciation charge for the quarter and half year ended 30<sup>th</sup> September, 2014 is higher by ₹538 lakhs and ₹1026 lakhs respectively.
6. During the quarter, the Company has declared final dividend of ₹1.31 per share (face value of ₹10/- each) in addition to interim dividend of ₹1.27 per share totaling to ₹2.58 per share for the financial year 2013-14.



7. Formula used for computation of coverage ratios DSCR = Earnings before Interest, Depreciation and Tax/(Interest & Finance Charges net of amount transferred to expenditure during construction + Principal Repayment) and ISCR = Earnings before Interest, Depreciation and Tax/(Interest & Finance Charges net of amount transferred to expenditure during construction).
8. Out of the proceeds of Follow on Public Offer (FPO) made during the financial year 2013-14, a sum of ₹ 332131 lakhs has been utilised upto 30<sup>th</sup> September, 2014 as per the objects of the issue and the balance of ₹ 200000 lakhs is kept in the banks as term deposits.
9. 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 11<sup>th</sup> November, 2014.
10. The above results have been reviewed by the Statutory Auditors as required under clause 41 of the listing agreements.
11. Previous periods' / year 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 : 11<sup>th</sup> November, 2014.

