

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

UNAUDITED RESULTS FOR THE QUARTER ENDED 31st DECEMBER, 2007

(Rs. in crore)

PARTICULARS	Quarter ended 31.12.2007 (Unaudited)	Quarter ended 31.12.2006 (Audited)	Nine Months ended 31.12.2007 (Unaudited)	Nine Months ended 31.12.2006 (Audited)	Accounting Year ended 31.03.2007 (Audited)
1. Revenue from Operations					
a) Transmission Income	978.20	831.13	2790.24	2330.33	3248.00
b) Consultancy Income	59.93	58.97	171.44	143.92	226.00
c) Others	47.64	32.83	133.92	80.22	115.85
Total Revenue from Operations	1085.77	922.93	3095.60	2554.47	3589.85
2. Other Income					
a) Interest on Bonds & Long Term Advances	36.63	42.23	113.74	130.63	173.24
b) Lease Income - State Sector ULDC	10.13	13.77	35.82	41.28	56.08
c) Bank Interest	42.57	7.01	47.07	8.84	67.67
d) Provision Written Back	0.28	0.03	3.12	0.03	133.43
e) Others	18.39	18.83	57.45	46.60	62.04
Total Other Income	108.00	81.87	257.20	227.38	492.46
3. Total Income	1193.77	1004.80	3352.80	2781.85	4082.31
4. Expenditure					
I. a) Staff Cost	115.00	74.10	316.42	212.36	338.88
b) Provisions	0.41	1.45	0.41	4.34	2.74
c) Other O&M Expenditure	84.07	89.38	227.87	210.10	299.97
Total Expenditure other than Depreciation	199.48	164.93	544.70	426.80	641.59
II. Depreciation	249.51	211.33	704.57	620.30	827.58
Total Expenditure	448.99	376.26	1249.27	1047.10	1469.17
5. Interest & Finance Charges					
a) Interest & Other Charges	273.08	259.55	856.06	729.08	1119.81
b) FERV as adjustment in Borrowing Cost	-15.64	-69.70	-249.53	-8.36	-40.01
c) Rebate to Customers	21.11	16.84	46.14	43.47	60.62
Total Interest & Finance Charges	278.55	206.69	652.67	764.19	1140.42
6. Profit Before Tax and Prior Period Adjustments	466.23	421.85	1450.86	970.56	1472.72
7. Less : Prior Period Expenditure / (-) Income	-1.84	1.73	-0.24	1.65	-9.28
8. Profit Before Tax	468.07	420.12	1451.10	968.91	1482.00
9. Provision for Taxation					
a) Minimum Alternate Tax	48.61	42.52	150.06	94.15	134.09
b) Fringe Benefit Tax	3.58	1.95	7.98	6.57	8.72
c) Deferred Tax	31.60	38.38	85.38	73.66	109.82
10. Profit after Tax	384.28	337.27	1207.68	794.53	1229.37
11. (a) Paid up Equity Share Capital	4208.84	3787.41	4208.84	3787.41	3787.41
(b) Paid up Equity Share Capital ((@)including Share Capital Deposit)	4208.84	3826.22(@)	4208.84	3826.22(@)	3826.22(@)
12. Reserves excluding Revaluation Reserve					7138.66
13.(a) Basic EPS (Rs./Share of Rs 10 each calculated on profit after Tax)	0.9130(*)	84.7427(*#)	3.0502(*)	216.1058(*#)	3.3146
13.(b) Diluted EPS (Rs./Share of Rs 10 each calculated on profit after Tax)	0.9130(*)	84.0190(*#)	3.0488(*)	213.8483(*#)	3.2803
14. Public Shareholding					
- Number of shares	573932895		573932895	-	-
- Percentage of shareholding	13.64 %		13.64 %	-	-

(*) Not Annualised, (#) Rs./Share of Rs. 1000 each

Segment wise Revenue, Results and Capital Employed

(Rs. in crore)

	Particulars	Quarter ended	Quarter ended	Nine Months ended	Nine Months ended	Year ended
		31.12.2007	31.12.2006	31.12.2007	31.12.2006	31.03.2007
		(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Audited)
A.	Segment Revenue					
	- Transmission	1054.91	891.21	2941.29	2445.88	3585.35
	- Consultancy	62.71	61.38	174.50	147.00	226.40
	- ULDC/RLDC	45.77	31.86	144.06	138.05	193.26
	- Telecom	30.97	20.17	94.35	51.68	78.42
	Total	1194.36	1005.09	3354.20	2782.61	4083.43
	Less : Inter Segment Revenue	0.59	0.29	1.40	0.76	1.12
	Total Revenue	1193.77	1004.80	3352.80	2781.85	4082.31
B.	Segment Results					
	Profit Before Tax					
	- Transmission	424.04	323.04	1306.63	828.99	1357.81
	- Consultancy	48.71	49.18	121.86	111.25	157.58
	- ULDC/RLDC	-0.76	57.17	23.31	62.62	12.23
	- Telecom	-3.92	-9.27	-0.70	-33.95	-45.62
	Total Profit Before Tax	468.07	420.12	1451.10	968.91	1482.00
C.	Segment Capital Employed					
	- Transmission	31885.60	25334.07	31885.60	25334.07	27069.54
	- Consultancy	-581.86	-346.63	-581.86	-346.63	-895.05
	- ULDC/RLDC	1274.44	1407.71	1274.44	1407.71	1381.72
	- Telecom	677.01	765.52	677.01	765.52	754.31
	Total Segment Capital Employed	33255.19	27160.67	33255.19	27160.67	28310.52

Notes :

While calculating segment wise capital employed, dererred tax liability for consultancy and other segments has not been considered and included in transmission segment.

Notes :

1. The transmission income included in Revenue from Operations for the period has been accounted for on the basis of regulations issued by CERC and orders received for the block period 2004-09 and 2001-04. In case of transmission projects where tariff rates are yet to be notified, transmission income is accounted as per tariff norms notified by CERC and shortage/excess, if any, is adjusted based on final notification of tariff by CERC including other amendments in similar cases..

2. The issue of charging depreciation has been referred by CAG to the Ministry of Power (MOP). MOP has issued tariff policy which provides that rates of depreciation notified by CERC would be applicable for the purpose of tariffs as well as accounting. Pending formalization of norms by CERC in accordance with the Tariff Policy, the rates notified under present Tariff Norms are considered appropriate for charging depreciation for the year.

3. Out of the issue proceeds of IPO of Rs. 1966.17 crore {net of Issue Expenses (provisional)}, the Company has utilised an amount of Rs. 431.82 crore as per the objects of the issue and the balance is kept in the banks as term deposits.

4. Wage revision of the employees of the company is due w.e.f. 1st January, 2007. Pending decision of the Committee formed by Government of India, a sum of Rs. 66.30 crore (net of amount charged to construction) has been charged to Profit and Loss Account during the nine months { Rs. 22.51 crore (net of amount charged to construction) for the quarter } as wage revision provision on the basis of last pay revision of 1997.

5. (i) Interest and finance charges have been reduced by Foreign Exchange Rate Variation (FERV) gain regarded as adjustment to interest cost amounting to Rs. 15.64 crore for the quarter and Rs. 249.53 crore gain for the nine months ended 31st December, 2007 (corresponding previous quarter ended 31st December, 2006 FERV gain of Rs. 69.70 crore and corresponding previous nine months ended 31st December, 2006 FERV gain of Rs. 8.36 crore).

(ii) (a) On reference of matter by the Company, Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India has given an opinion regarding the accounting treatment of FERV recoverable as per CERC tariff norms. However, FERV for the block period 2001-04 was included in the capital cost on which normal tariff is allowed while FERV for the block period 2004-09 is being allowed as reimbursement on actual payment basis. Due to the above, matter has been again referred to EAC for clarification.

(b) The Company is yet to receive opinion from the EAC with respect to accounting of favourable exchange rate variation (ERV) in the light of ASI-10 with respect to AS-16 read with AS-11.

Pending receipt of the clarifications sought at (a) and opinion at (b) above, the Company has accounted for FERV consistently as in previous years.

6. (i) The Company's shares were listed on 5th October, 2007 at Bombay Stock Exchange, Mumbai and National Stock Exchange, Mumbai.

Status of investor complaints received and disposed off during the quarter ended 31st December, 2007 is given as under :

a) Complaints lying unresolved at the beginning of the quarter -	Nil
b) Complaints Received -	33622
c) Complaints Disposed off -	33550
d) Complaints lying unresolved at the end of the quarter -	72

(ii) As at 31st December, 2007, no investor's complaint / grievance is lying un-resolved in respect of Bonds issued by the Company. Clarifications, as and when sought by any investor, have been furnished.

7. The Company has followed the same accounting policies as that of the previous financial year for preparation of above results.

8. Previous period figures have been regrouped / rearranged wherever necessary.

9. The above results are subject to limited review by the statutory auditors of the Company.

10. The above results have been reviewed by the Audit Committee and have been taken on record by the Board of Directors in its meeting held on 30.01.2008.

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

(Dr. R.P.Singh)

Chairman & Managing Director

Place : New Delhi.
Date : 30.01.2008