

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



केन्द्रीय कार्यालय : "सौदामिनी" प्लॉट सं. 2, सैक्टर-29, गुडगाँव-122 001, हरियाणा
फोन : 2571700 - 719 फैक्स : 2571760, 2571761 तार 'नेटग्रिड'
Corporate office : "Saudamini" Plot No. 2, Sector-29, Gurgaon-122 001 Haryana
Tel. : 2571700 - 719, Fax : 2571760, 2571761 Gram : 'NATGRID'

संदर्भ संख्या /Ref. Number

C/COS/ 334

Dt. 14.01.2008

The GM (Listing)
National Stock Exchange of India Limited,
Exchange Plaza, Plot No. C/1, G – Block,
Bandra Kurla Complex, Bandra (East),
Mumbai– 400 051


Dear Sir,

Sub: Quarterly Compliance Report on Corporate Governance

Enclosed please find the Quarterly Compliance Report on Corporate Governance for the Quarter ended 31.12.2007. This is being filed in terms of Clause 49VI(ii) of the Listing Agreement .

Thanking you,

Yours faithfully,


(Divya Tandon)
Company Secretary

Quarterly Compliance Report on Corporate Governance

Name of the Company: Power Grid Corporation of India Ltd.

Quarter ending on: 31.12.07

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
I. Board of Directors	49I		
(A) Composition of Board	49I(A)	No	<p>Presently, the Board consists of CMD, 2 functional Directors, 2 official part -time Directors and 4 non - official part -time Directors (Independent Directors).</p> <p>There is a vacancy of 1 non – official part- time Director caused due to his resignation. In addition, the posts of 2 Functional Directors are vacant and the corresponding posts of 2 non – official part- time Directors will also be required to be filled up.</p>
(B) Non-executive Directors' compensation & disclosures	49 I(B)	N.A.	The non – executive Directors are paid only the sitting fees. The sitting fee is within the limits prescribed under the Companies Act, 1956.
(C) Other provisions as to Board and Committees	49 I(C)(i) 49I (C)(ii)	Yes	<p>The Board meets more frequently than the minimum requirement of four times in a year.</p> <p>The overall Directorship of the Directors in various Companies is within the permissible limits.</p> <p>Almost all the issues listed under Annexure 1A are</p>

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
			being placed before the Board of Directors.
(D) Code of Conduct	49 I(D)	Yes	
II. Audit Committee	49 II		
(A) Qualified & Independent Audit Committee	49II (A)	Yes	
(B) Meeting of Audit Committee	49 II (B)	Yes	
(C) Powers of Audit Committee	49 II (C)	Yes	
(D) Role of Audit Committee	49 II(D)	Yes	
(E) Review of Information by Audit Committee	49 II (E)	Yes	
III. Subsidiary Companies	49 (III)	N.A.	POWERGRID has only one subsidiary shell company, which is yet to commence business. The said company does not fall under the scope of "Material Non – Listed Indian Subsidiary".
IV. Disclosures	49 (IV)		
(A) Basis of related party transactions	49 IV (A)	Yes	
(B) Disclosure of Accounting Treatment	49 IV (B)	Yes	
(C) Board Disclosures	49 IV (C)	Yes	- All the Projects / Schemes to be undertaken by the Company are agreed to prior to execution by all the Beneficiary States. The Projects / Schemes are made part of the 'Bulk Power Transmission Agreement'. - Contractual provisions

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
			for timely execution of the Projects / Schemes are in place. - To ensure the timely completion of the Projects necessary steps are discussed and taken.
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 IV (D)	Yes	
(E) Remuneration of Directors	49 IV (E)	Yes	The remuneration of the Directors is disclosed in the "Corporate Governance Report". The element of remuneration is not being mentioned as POWERGRID is a Government Company and the remuneration of the Directors is determined by the guidelines issued by the Department of Public Enterprises.
(F) Management	49 IV (F)	Yes	Being published since 2003-04.
(G) Shareholders	49 IV (G)	Yes	
V. CEO/CFO Certification	49 (V)	N.A.	The shares of the Company were listed on 5 th October, 2007. Accordingly, the subject certification shall be made to the Board at the time of placement of Annual Financial Statement.
VI. Report on Corporate Governance	49 (VI)	Yes	
VII. Compliance	49 (VII)	Yes	