

POWER GRID CORPORATION OF INDIA LIMITED

MINUTES OF 24th ANNUAL GENERAL MEETING OF THE MEMBERS OF POWER GRID CORPORATION OF INDIA LIMITED HELD ON THURSDAY, 19TH SEPTEMBER, 2013 AT 11:00 A.M. AT AIR FORCE AUDITORIUM, SUBROTO PARK, NEW DELHI - 110 010.

PRESENT:

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| 1. Shri R. N. Nayak | - Chairman & Managing Director |
| 2. Mrs. Rita Acharya
Jt. Secy. (Transmission), MoP | - Director & Authorised Representative of the
President of India - Ministry of Power |
| 3. Shri R. T. Agarwal | - Director (Finance) |
| 4. Shri I. S. Jha | - Director (Projects) |
| 5. Shri Ravi P. Singh | - Director (Personnel) |
| 6. Shri R. P. Sasmal | - Director (Operations) |
| 7. Mrs. Rita Sinha | - Director |
| 8. Shri Santosh Saraf | - Director & Chairman, Audit Committee |
| 9. Shri R. K. Gupta | - Director |
| 10. Dr. K. Ramalingam | - Director |
| 11. Shri R. Krishnamoorthy | - Director |
| 12. Shri Ajay Kumar Mittal | - Director |
| 13. Shri Mahesh Shah | - Director |
| 14. Shri Rohtas Singh, Director
(Ministry of Dev. of North
Eastern Region) | - Authorised Representative of the President of
India - Ministry of Dev. of North Eastern Region |
| 15. Mrs. Divya Tandon | - Company Secretary |

23,753 Members were present in person.

731 Members were present through proxy.

1. Shri R. N. Nayak, Chairman & Managing Director took the Chair. Quorum of the Meeting being present, the Chairman & Managing Director declared the meeting open. He welcomed the Members attending the meeting. Thereafter, Company Secretary introduced the Members of the Board.

The Chairman stated that the Register of Directors, Register of Directors' Shareholding and the Proxy Register were available during the Meeting for inspection of the Members.

With the consent of all the Members present, the notice of meeting and Directors' Report, which were with the shareholders for some time, were taken as read.

Thereafter, the Chairman & Managing Director delivered his speech. He presented a brief account of performance highlights of the Company during the year under review and recent developments. The main points covered in the Chairman's speech were the Economic Scenario and POWERGRID; highlights of performance during the year 2012-13 covering Financial & Operational Performance; Pan India Synchronous of National Grid; Grid Management by POSOCO; Performance in Telecom; Consultancy Services to various Utilities at National and International level in the Country; Investment Programme during 12th Plan; Research, Development and Demonstration (RDD) to remain as technology leader; implementation of Enterprise Resource Planning (ERP); new initiative for future preparedness such as Smart Grid/ City projects, integration of renewables, Energy Efficiency, Backward integration for manufacturing of key products, JVs with States, etc.; Human Resource - the most important and strategic assets of the Company; Corporate Social Responsibility (CSR) and Sustainable Development (SD); and Corporate Governance.

The Chairman concluded his speech by thanking Ministry of Power, Central Electricity Authority, Ministry of Finance, Planning Commission, Ministry of Environment and Forest, Ministry of New and Renewable Energy, Department of Public Enterprises, Ministry of Statistics & Program Implementation, Department of Telecom, and other departments, Central Electricity Regulatory Commission, Appellate Tribunal for Electricity, Regional Power Committees, Statutory Auditors, Comptroller and Auditor General of India, Securities and Exchange Board of India, National Stock Exchange of India Ltd., BSE Ltd., all State Governments/ power utilities & departments and partners for their help and guidance; Government Directors, Independent Directors, all fellow Members on the Board, Employees and Shareholders of the Company for continued support and guidance.

2. Company Secretary read the Auditors' Report dated 28th May, 2013.

Thereafter, it was decided to take up the business as stated in the Notice of the meeting:

Ordinary Business

3. Item No. – 1

To receive, consider and adopt the audited Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss for the financial year ended on that date together with Report of the Board of Directors and Auditors thereon.

Shri Bhagwan Bhambhani (DPID - IN301151 and Client ID - 13387801) proposed and Ms. Prabha Sarin (DPID- IN300966 and Client ID- 10038670) seconded the following Ordinary Resolution:

“Resolved that the Statement of Profit & Loss of the Company for the financial year ended on 31st March, 2013 and Balance Sheet as on that date together with report of the Auditors’ thereon and report of the Board of Directors and Cash Flow Statement for the year ended 31st March, 2013 be and are hereby received, considered and adopted.”

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

4. Item No. – 2

To note the payment of interim dividend and declare Final dividend for the financial year 2012-13.

Shri Rohtas Singh, Representative of the Hon’ble President of India, (Ministry of Dev. of North Eastern Region) (DPID- IN301330 and Client ID- 20156259) proposed and Ms. Sushma Agarwal (Client ID- 12019101118405) seconded the following Ordinary Resolution:

“Resolved that the interim dividend @ 16.1% on the paid-up equity share capital declared on 12th February, 2013 subject to rounding off of the dividend amount payable to individual shareholder to the nearest rupee as per Rule 23 of Companies (Central Government’s) General Rules & Forms, 1956 for which payment of ₹745,38,93,737/- was made on 4th March, 2013 be and is hereby noted and pursuant to the recommendation of the Board of Directors, final dividend @ 11.4% on the paid-up equity share capital of the Company amounting to ₹527,78,86,902/- subject to rounding off of the dividend amount payable to individual shareholder to the nearest rupee as per Rule 23 of Companies (Central Government’s) General Rules & Forms, 1956 be and is hereby declared out of the profits of the Company for the financial year 2012-13 and be paid to the equity shareholders of the

Company whose name appear on the Company's Register of Members on 19th September, 2013 in respect of physical shares and in respect of dematerialized shares, the dividend be paid to the beneficial owners of the shares whose names appeared in the Statement of Beneficial Ownership, as at the close of business hours on 6th September, 2013, furnished by National Securities Depository Limited and Central Depository Services (India) Limited.”

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

5. Item No. – 3

To appoint a Director in place of Shri Santosh Saraf, who retires by rotation and being eligible, offers himself for re-appointment.

Shri Gurcharan Singh (DPID-IN300206 and Client ID-10926854) proposed and Shri Subhash Chander Sarin (DPID-IN302620 and Client ID-10002715) seconded the following Ordinary Resolution:

“Resolved that Shri Santosh Saraf, who retires by rotation pursuant to Article 31 (c) (iii) of the Articles of Association of the Company and being eligible offers himself for re-appointment, be and is hereby re-appointed as Director of the Company.”

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

6. Item No. – 4

To appoint a Director in place of Ms. Rita Sinha, who retires by rotation and being eligible, offers herself for re-appointment.

Shri Ravi Shanker Kapoor (Client ID-1203800000050251) proposed and Ms. Deepa Aggarwal (Client ID-1204850000000920) seconded the following Ordinary Resolution:

“Resolved that Ms. Rita Sinha, who retires by rotation pursuant to Article 31 (c) (iii) of the Articles of Association of the Company and being eligible offers herself for re-appointment, be and is hereby re-appointed as Director of the Company.”

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

7. Item No. – 5

To fix the remuneration of the Statutory Auditors for the Financial Year 2013-14.

POWERGRID being a Government Company, the Auditors of the Company are appointed by the Comptroller & Auditor General of India and remuneration of Auditors is fixed by the Members of the Company in the General Meeting. Accordingly, shareholders approval has been sought to authorize the Board of Directors of the Company to fix the remuneration for the Financial Year 2013-14.

Shri Rahul Singhal (DPID-IN302822 and Client ID-10289216) proposed and Shri Har Kanwal Oberoi (DPID-IN300118 and Client ID-10264673) seconded the following Ordinary Resolution:

“Resolved that the Board of Directors of the Company be and are hereby authorized, to fix and approve the remuneration of the three Joint Statutory Auditors viz. (i) M/s S. K. Mehta & Co., (ii) M/s Chatterjee & Co., and (iii) M/s Sagar & Associates appointed by the Comptroller and Auditor General of India for the financial year 2013-14, for statutory audit and supplementary report on the accounts of the Company under section 619 (3) of the Companies Act, 1956 and any other fee, as the Board may deem fit, taking into account the recommendation of the Audit Committee in this regard.”

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

Special Business

8. Item No. – 6

Appointment of Shri R. K. Gupta as Director.

Ms. Roma Chaudhri (DPID -IN302822 and Client ID-10135913) proposed and Shri Ram Kumar Yadav (DPID -IN302822 and Client ID-10193757) seconded the following Ordinary Resolution:

“Resolved that Shri R. K. Gupta, who was appointed as Non-Official Part-time Director of the Company by the President of India vide letter

no. 1/38/96-PG dated 16.01.2013 and thereafter co-opted as an Additional Director w.e.f. 16.01.2013 under Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a Member proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

9. Item No. – 7

Appointment of Dr. K. Ramalingam as Director.

Shri Nirmal Jeet Singh Nayyar (DPID- IN300206 and Client ID-10895897) proposed and Ms. Manju Mittal (DPID-IN302822 and Client ID-10326154) seconded the following Ordinary Resolution:

“Resolved that Dr. K. Ramalingam, who was appointed as Non-Official Part-time Director of the Company by the President of India vide letter no. 1/38/96-PG dated 16.01.2013 and thereafter co-opted as an Additional Director w.e.f. 16.01.2013 under Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a Member proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

10. Item No. – 8

Appointment of Shri R. Krishnamoorthy as Director.

Shri Krishan Lal Chadha (Client ID-1201410000010073) proposed and Ms. Manju Mittal (DPID-IN302822 and Client ID-10326154) seconded the following Ordinary Resolution:

“Resolved that Shri R. Krishnamoorthy, who was appointed as Non-Official Part-time Director of the Company by the President of India

vide letter no. 1/38/96-PG dated 16.01.2013 and thereafter co-opted as an Additional Director w.e.f. 16.01.2013 under Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a Member proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

11.Item No. – 9

Appointment of Shri Ajay Kumar Mittal as Director.

Ms. Ranno Bhatnagar (DPID- IN300888 and Client ID- 13092464) proposed and Ms. Ritu Bhatnagar (DPID-IN300011 and Client ID-10619473) seconded the following Ordinary Resolution:

“Resolved that Shri Ajay Kumar Mittal, who was appointed as Non-Official Part-time Director of the Company by the President of India vide letter no. 1/38/96-PG dated 16.01.2013 and thereafter co-opted as an Additional Director w.e.f. 16.01.2013 under Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a Member proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

12.Item No. – 10

Appointment of Shri Mahesh Shah as Director.

Shri Krishan Lal Chadha (Client ID-1201410000010073) proposed and Shri Manjit Singh (DPID-IN300206 and Client ID-10907641) seconded the following Ordinary Resolution:

“Resolved that Shri Mahesh Shah, who was appointed as Non-Official Part-time Director of the Company by the President of India vide letter

no. 1/38/96-PG dated 16.01.2013 and thereafter co-opted as an Additional Director w.e.f. 16.01.2013 under Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a Member proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

13.Item No. – 11

Appointment of Shri Ravi P. Singh as Director.

Shri Kapil Agarwal (DPID-IN302822 and Client ID-10081844) proposed and Shri Satyendra Singh Rathore (DPID-IN302822 and Client ID-10126990) seconded the following Special Resolution:

“Resolved that Shri Ravi P. Singh, who was appointed as Director (Personnel) of the Company by the President of India vide letter no. 11/40/2010-PG dated 22.02.2012 of Ministry of Power be and is hereby appointed as Director (Personnel) of the Company in compliance of the provisions of Section 255 of the Companies Act, 1956 and shall be liable to retire by rotation.”

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

14.Item No. – 12

Appointment of Shri R. P. Sasmal as Director.

Shri Aniket Kulshreshtha (DPID- IN301549 and Client ID- 31685221) proposed and Shri Devendra Kumar Sharma (DPID-IN300206 and Client ID-10978877) seconded the following Special Resolution:

“Resolved that Shri R.P. Sasmal, who was appointed as Director (Operations) of the Company by the President of India vide letter no. 11/50/2011-PG dated 01.08.2012 of Ministry of Power be and is hereby appointed as Director (Operations) of the Company in compliance of the provisions of Section 255 of the Companies Act, 1956 and shall be liable to retire by rotation.”

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

15. Item No. – 13

Follow on Public Offer of POWERGRID.

Shri Satyendra Singh Rathore, (DPID- IN302822 and Client ID- 10126990) proposed and Ms. Shilpa Goyal (DPID-IN301143 and Client ID-10480269) seconded the following Special Resolution:

“RESOLVED that in accordance with the provisions of Section 81(1A) 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 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 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 stipulated 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 or any duly constituted Committee of the Board (the Board), approval be and is hereby accorded to offer, issue and allot 69,44,58,802 equity shares (15% of existing paid up capital) subject to necessary approval of Government of India i.e. of/upto 69,44,58,802 equity shares to such person or persons, who may or may not be the shareholders of the Company, as the Board may at its sole discretion decide, including to 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 to 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 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 in consultation with advisors or such persons and on such terms and conditions as may be finalized by the Board”.

“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”.

“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 issued and allotted, the number of equity shares to be issued 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 in its absolute discretion decide in this behalf”.

Thereafter, the resolution was put to vote by show of hands and was declared as carried with requisite majority by the Chairman of the meeting.

After business items set out in the notice of Annual General Meeting were taken up, the Chairman invited the Members to raise their queries and offer their comments and observations.

The queries of the shareholders were appropriately replied by the Chairman of the meeting. The performance of the Company was appreciated by the members.

The Chairman thereafter declared the meeting closed as all the business had been transacted.

The meeting concluded with a vote of thanks to the Chair by the Company Secretary.
