

C/COS/Listing/NSE/

Dt: 07.07.2020

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

Ref: Symbol: POWERGRID; Series: EQ; ISIN: INE752E01010

Dear Sir,

Sub: **Compliance under Regulation 24(A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Please find enclosed the Secretarial Compliance Report duly issued by CS Naresh Kumar Sinha, Practising Company Secretary, for the financial year ended 31st March, 2020. This is submitted in accordance with Regulation 24 (A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You,

Yours faithfully,



(Mrinal Shrivastava)
Company Secretary &
Compliance Officer

Encl. a/a

Secretarial Compliance Report
of
Power Grid Corporation of India Limited for the year ended
March 31st, 2020

We have examined:

- (a) all the documents and records made available to us and explanation provided by **POWER GRID CORPORATION OF INDIA LIMITED** (hereinafter called "the listed entity")
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended on **March 31st, 2020** (hereinafter called "Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI")

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **[Not applicable as the listed entity has not bought back / proposed to buy-back any of its securities during the Review Period];**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not applicable as the listed entity has not offered any shares or granted any options pursuant to any employee benefit scheme during the Review Period];**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **[Not applicable as the listed entity has not issued and listed any preference shares during the Review Period];**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

and circulars/ guidelines issued thereunder;



Based on the above examination, we hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: -

| Sr. No. | Compliance Requirement (Regulations/ circulars / guidelines including specific clause) | Deviations | Observations/Remarks of the Practicing Company Secretary |
|---------|---|--|--|
| 1. | Regulation 17(1) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 | Non-compliance with the requirements pertaining to the composition of the Board i.e. at least half of the Board of Directors shall comprise of Independent Directors for the Quarters ended June 30 th , 2019, September 30 th , 2019, December 31 st , 2019 and March 31 st , 2020. | The listed entity (POWERGRID) is a Government Company and the Directors including the Independent Directors of the listed entity are appointed by the Government of India. |

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars / guidelines issued thereunder insofar as it appears from our examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

| Sr. No. | Action taken by | Details of violation | Details of action taken e.g. fines, warning letter, debarment, etc. | Observations/remarks of the Practicing Company Secretary, if any. |
|---------|-----------------|--|--|---|
| 1. | NSE / BSE | Non-compliance with the requirements pertaining to the composition of the Board as per Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the Quarters ended June 30 th , 2019, September 30 th , 2019, December 31 st , 2019 and March 31 st , 2020. | The Stock exchanges (BSE & NSE) have Levied monetary fine(s) for non-compliance with the requirements pertaining to the composition of the Board as per Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the Quarters ended June 30 th , 2019, September 30 th , 2019 and December 31 st , 2019. NSE has levied monetary fine(s) for the Quarters ended March 31 st , 2020. | The listed entity (Power Grid) has replied to BSE and NSE for non-compliance with the requirements pertaining to the composition of the Board as per Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the Quarters ended June 30 th , 2019, September 30 th , 2019, December 31 st , 2019 and March 31 st , 2020 (Only to NSE) that, POWERGRID, being a Govt. Company within the meaning of Section 2(45) of the Companies Act, 2013, the power to appoint functional / Official Part-time Directors / |



| | | | | |
|--|--|--|--|---|
| | | | | <p>non-Official Part-time Directors (Independent Directors) vests with the Government of India.</p> <p>Accordingly, Power Grid requested NSE & BSE for waiver of fine.</p> <p>NSE, vide communication dated March 18th, 2020, had informed that the request of POWERGRID was considered favorably and decided for waiver of fine for non-compliance of Regulation 17 by the listed entity for the quarters ended June 30th, 2019 and September 30th, 2019.</p> |
|--|--|--|--|---|

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

| Sr. No. | Observations of the Practicing Company Secretary in the previous reports | Observations made in the secretarial compliance report for the year ended | Actions taken by the listed entity, if any | Comments of the Practicing Company Secretary on the actions taken by the listed entity |
|---------|--|---|---|---|
| 1. | Non-compliance with the requirements pertaining to the composition of the Board as per Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the Quarters ended September 30 th , 2018, December 31 st , 2018 and March 31 st , 2019. | March 31 st , 2019 | The listed entity had replied to BSE and NSE for non-compliance with the requirements pertaining to the composition of the Board as per Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the Quarters ended September 30 th , 2018, December 31 st , 2018 and March 31 st , 2019 that POWERGRID being a Govt. Company within the meaning of Section 2(45) of the Companies Act, | NSE, vide communication dated March 18 th , 2020, had informed that the request of Power Grid was considered favorably and decided for waiver of fine for non-compliance of Regulation 17 by the listed entity for the Quarters ended September 30 th , 2018, December 31 st , 2018 and March 31 st , 2019. |



| | | | | |
|----|---|--|---|--|
| 2. | Regulation 17 (10) of the SEBI (LODR) Regulations, 2015 | | <p>2013, the power to appoint functional/ Official Part-time Directors / non-Official Part-time Directors (Independent Directors) vests with the Government of India.</p> <p>Accordingly, POWERGRID requested NSE & BSE for waiver of fine.</p> <p>In compliance of Regulation 17 (10) of the SEBI (LODR) Regulation, 2015, the listed entity has not carried out the performance evaluation of the Independent Directors of the listed entity during the review period, as Independent Directors are appointed by the Government of India.</p> | <p>The listed entity (POWERGRID) is a Government of India Enterprise under the administrative control of Ministry of Power and all the Directors of the company including Independents Directors are appointed by the Government of India.</p> <p>Moreover, Ministry of Corporate Affairs' (MCA) vide its Notification dated 5th June, 2015, has exempted the Government companies from the requirement of performance evaluation of Directors under Section 178(2) of the Companies Act, 2013. Further, MCA vide its notification dated 5th July, 2017 made an amendment in the Schedule IV of the Act, whereby Government Companies were exempted from complying with the requirement of performance evaluation of Independent Directors by the Board, if the concerned Department or Ministry have specified aforesaid requirements.</p> |
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We further report that during the Review Period,

In view of the situation emerging out of the outbreak of COVID-19 Pandemic, physical documents, records & other papers of the Company for the year ended March 31st, 2020 required by us for our examination were provided through electronic Mode.

**For, Kumar Naresh Sinha & Associates
Company Secretaries**



A handwritten signature in blue ink, appearing to read "Naresh Kumar Sinha".

**CS Naresh Kumar Sinha
(Proprietor)
FCS: 1807, CP No.: 14984
PR: 610/2019
UDIN: F001807B000420368**

Place: Noida
Date: July 06, 2020