

27<sup>th</sup> May, 2022

To  
The General Manager, (Listing)  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai.

To  
The General Manager (Listing),  
National Stock Exchange of India Limited,  
Exchange Plaza, C 1/G Block,  
Bandra-Kurla Complex,  
Bandra (East), Mumbai.

**Reference: NSE-SCRIP ID: POWERGRID; BSE Scrip Code: 532898 EQ – ISIN  
INE752 E01010**

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

Dear Sir,

Please find enclosed the Secretarial Compliance Report duly issued by CS Naresh Kumar Sinha, Practicing Company Secretary, for the financial year ended 31<sup>st</sup> March, 2022. This is submitted in accordance with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You.

Yours faithfully,



(Mrinal Shrivastava)  
Company Secretary &  
Compliance Officer  
कम्पनी सचिव  
पावर ग्रिड कॉर्पोरेशन ऑफ इंडिया लिमिटेड  
(भारत सरकार का उद्यम)  
प्लॉट सं०-2, सैक्टर-29, गुड़गाँव-122 001 (हरियाणा)

**Secretarial Compliance Report  
of  
Power Grid Corporation of India Limited for the year ended  
March 31, 2022**

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 31, 2022** (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 and Sweat Equity) Regulations, 2021; **[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) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018. and circulars/ guidelines issued thereunder;

**and 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 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015	<p><b><u>Quarter ended June 30, 2021</u></b></p> <ul style="list-style-type: none"> <li>Half of the board was not Independent <b>[Regulation 17(1)(b)]</b></li> </ul> <p><b><u>Quarter ended September 30, 2021</u></b></p> <ul style="list-style-type: none"> <li>Half of the Board was not Non-Executive during part of the quarter <b>[Regulation 17(1)(a)]</b></li> <li>No Woman Independent Director on the Board during part of the quarter <b>[Regulation 17(1)(a)]</b></li> <li>Half of the board was not Independent <b>[Regulation 17(1)(b)]</b></li> </ul> <p><b><u>Quarter ended December 31, 2021</u></b></p> <ul style="list-style-type: none"> <li>Half of the Board was not Non-Executive till November 16, 2021 <b>[Regulation 17(1)(a)]</b></li> <li>No Woman Independent Director on the Board <b>[Regulation 17(1)(a)]</b></li> <li>Half of the board was not Independent <b>[Regulation 17(1)(b)]</b></li> </ul> <p><b><u>Quarter ended March 31, 2022</u></b></p> <ul style="list-style-type: none"> <li>No Woman Independent Director on the Board <b>[Regulation 17(1)(a)]</b></li> <li>Half of the board was not Independent <b>[Regulation 17(1)(b)]</b></li> </ul>	The listed entity (POWERGRID) is a Govt. Company within the meaning of Section 2 (45) of the Companies Act, 2013. The power to appoint functional(executive) / Official Part-time Directors (non-executive) / non-Official Part-time Directors (Independent Directors) vests with the Government of India.
2.	Regulation 18 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015	<p><b><u>Quarter ended September 30, 2021, and December 31, 2021</u></b></p> <ul style="list-style-type: none"> <li>Two third members of the Audit committee were not</li> </ul>	

		Independent during part of the quarter <b>[Regulation 18(1)(b)]</b>	
3.	Regulation 19 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015	<b><u>Quarter ended September 30, 2021, and December 31, 2021</u></b> <ul style="list-style-type: none"> <li>50% members of the Nomination and Remuneration Committee were not Independent during part of the quarter <b>[Regulation 19(1)(c)]</b></li> </ul>	

(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	<p>Non-compliance of:</p> <ul style="list-style-type: none"> <li>Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the Quarters ended June 30, 2021, September 30, 2021, December 31, 2021, and March 31, 2022.</li> <li>Regulation 18(1) of SEBI (LODR) Regulations, 2015 for the Quarters ended September 30, 2021, and December 31, 2021.</li> </ul>	<p>NSE has levied monetary fine(s) for non-compliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the Quarters ended June 30, 2021, September 30, 2021, and December 31, 2021.</p> <p>BSE has levied monetary fine(s) for non-compliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the Quarters ended June 30, 2021, and September 30, 2021.</p> <p>NSE has levied monetary fine(s) for non-compliance of Regulation 18(1) of SEBI (LODR) Regulations, 2015 for the part of the Quarters ended September 30, 2021, and December 31, 2021.</p> <p>BSE has levied monetary fine(s) for non-compliance of Regulation 18(1) of SEBI</p>	<p>The listed entity (POWERGRID) has replied that, being a Govt. Company within the meaning of Section 2(45) of the Companies Act, 2013, the power to appoint functional(executive)/ Official Part-time Directors (non-executive) / non-Official Part-time Directors (Independent Directors) vests with the Government of India.</p> <p>The matter has been taken up with administrative ministry for filling up the vacant post of Independent Directors.</p> <p>Accordingly, POWERGRID requested NSE &amp; BSE for waiver of fine.</p>

		<ul style="list-style-type: none"> <li>Regulation 19(1) / (2) of SEBI (LODR) Regulations, 2015 for the Quarters ended September 30, 2021, and December 31, 2021.</li> </ul>	<p>(LODR) Regulations, 2015 for the part of the Quarter ended September 30, 2021.</p> <p>NSE has levied monetary fine(s) for non-compliance of Regulation 19(1) of SEBI (LODR) Regulations, 2015 for the part of the Quarters ended September 30, 2021, and December 31, 2021.</p> <p>BSE has levied monetary fine(s) for non-compliance of Regulation 19(1) of SEBI (LODR) Regulations, 2015 for the part of the Quarter ended September 30, 2021.</p>	
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(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

<b>Sr. No.</b>	<b>Observations of the Practicing Company Secretary in the previous reports</b>	<b>Observations made in the secretarial compliance report for the year ended</b>	<b>Actions taken by the listed entity, if any</b>	<b>Comments of the Practicing Company Secretary on the actions taken by the listed entity</b>
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 June 30, 2020, September 30, 2020, December 31, 2020, and March 31, 2021.	March 31, 2021	<p>The listed entity (POWERGRID) has replied 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 / non-Official Part-time Directors (Independent Directors) vests with the Government of India.</p> <p>Accordingly, Power Grid requested NSE &amp; BSE for waiver of fine.</p>	<p>The listed entity (POWERGRID) is a Govt. Company within the meaning of Section 2(45) of the Companies Act, 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>The matter has been taken up with administrative ministry from time to time for filling up the vacant post of Independent Directors.</p>

			<p>BSE vide e-mail dated April 19, 2021, has communicated that based upon the company's representation, the "Committee for Reviewing Representations for Waiver of Fines Levied under Standard Operating Procedure (SOP)", decided to waive the fines levied for the quarter ended September 30, 2020 and December 31, 2020 for noncompliance of Regulation 17 of SEBI (LODR) Regulations, 2015.</p>	
1.	<p>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, 2019, September 30, 2019, December 31, 2019, and March 31, 2020.</p>	<p>March 31, 2020</p>	<p>The listed entity (POWERGRID) has replied 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 / non-Official Part-time Directors (Independent Directors) vests with the Government of India.</p> <p>Accordingly, Power Grid requested NSE &amp; BSE for waiver of fine.</p> <p>NSE, vide communication dated</p>	<p>The listed entity (POWERGRID) is a Govt. Company within the meaning of Section 2(45) of the Companies Act, 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>The matter has been taken up with administrative ministry from time to time for filling up the vacant post of Independent Directors.</p>

			March 18, 2020, had informed that the request of POWERGRID was considered favorable and decided for waiver of fine for non-compliance of Regulation 17 by the listed entity for the quarters ended June 30, 2019, and September 30, 2019.	
1.	Non-compliance with the requirements pertaining to the composition of the Board i.e., at least half of the Board of Directors shall comprise Independent Directors during the financial year 2018-19 as per Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the Quarters ended September 30, 2018, December 31, 2018 and March 31, 2019	March 31, 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, 2018, December 31, 2018 and March 31, 2019 that POWER GRID being a Govt. Company within the meaning of Section 2(45) of the Companies Act, 2013, the power to appoint functional/ Official Parttime Directors nonofficial Part-time Directors (Independent Directors) vests with the Government of India. Accordingly, Power Grid requested NSE & BSE for waiver of fine.	NSE, vide communication dated March 18, 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, 2018, December 31, 2018, and March 31, 2019.
2.	Regulation 17 (10) of the SEBI (LODR) Regulations, 2015	March 31, 2019	In compliance of Regulation 17 (10) of	The listed entity (POWERGRID) is a Government of India

			<p>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>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>Ministry of Corporate Affairs' (MCA) vide its Notification dated June 5, 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 July 5, 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,**

- i. There was no event of resignation of statutory auditor of the company during the review period and as such, the compliance of clause 6(A) and 6(B) of the circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019, issued by the Securities and Exchange Board of India on "Resignation of statutory auditors from listed entities and their material subsidiaries" is not applicable during the Review Period.

**Place: Noida  
Date: 25.05.2022**

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

NARESH  
KUMAR SINHA

Digitally signed by  
NARESH KUMAR SINHA  
Date: 2022.05.25  
18:26:58 +05'30'

**CS Naresh Kumar Sinha  
(Proprietor)**

**FCS: 1807, CP No.: 14984**

**PR: 610/2019**

**UDIN: F001807D000389766**