

CIN: L40101DL1989GOI038121

C/COS/Listing/

08.05.2020

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: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Please find enclosed a Caution Letter dt. 05.05.2020 received through mail from SEBI on 05.05.2020.

In this regard, we wish to inform that the management is of the view that the demand notices/assessment orders were not in terms of the license agreement and since the Company has from time to time paid the license fee due as per the license agreements, the demands are not considered to be payable. As per legal opinion obtained by the Company, the judgement of Hon'ble Supreme Court dated 24.10.2019 w.r.t. AGR was not applicable to the company. Accordingly, the said demand notices/assessment orders were not informed to the Stock Exchanges. However, POWERGRID on 23.01.2020 had filed an Application before the Hon'ble Supreme Court for 'clarification /modification' of its order dt. 24.10.2019 and the same was informed to the Stock Exchanges on 24.01.2020. The Company also provided clarification on demand notices received from DoT on 29.01.2020, as sought by NSE.

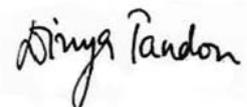
We would also like to inform that, DoT vide its email dated 27.04.2020, revised the assessment of NLD and ISP licenses for the FY 2018-19 and raised the provisional demand amounting to Rs.4,834.30 crore. The same has also been taken up with the DoT suitably vide letter dated 29.04.2020, citing non-applicability of this demand.

We reiterate that that the Company abides by the highest standards of Corporate Governance and believes in compliance with the applicable disclosure regulations/requirements. A copy of the Caution Letter has been circulated to the Board of Directors of the Company and will also be placed in the next Board meeting. The reply to the caution letter has also been sent to SEBI simultaneously.

This is being informed in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you,

Yours faithfully,



**(Divya Tandon)**  
**Executive Director - Company Secretary & Compliance Officer**



**Pradeep Ramakrishnan**  
General Manager  
Compliance and Monitoring Division-1  
Corporation Finance Department  
Email: [pradeepr@sebi.gov.in](mailto:pradeepr@sebi.gov.in)

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
**Securities and Exchange  
Board of India**

SEBI/CFD/CMD1/PR/OW/10546/1/2020  
May 05, 2020

To

**Ms. Divya Tandon**  
Company Secretary & Compliance Officer,  
**Power Grid Corporation of India Limited**  
B-9, Qutab Institutional Area,  
Katwaria Sarai,  
New Delhi – 110016

Madam,

**Sub: Caution Letter – Disclosure of material events/information to the stock exchanges under  
Regulation 30 of SEBI LODR Regulation**

1. This has reference to the assessment orders / demand notices received by the company from Department of Telecommunications (DoT), Ministry of Communications, Government of India, from time to time, seeking payment of license fees on total reported revenue.
2. As you may be aware, disclosure requirements for listed entities are governed by the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**LODR**), which mandate listed companies to disclose material information as soon as reasonably possible and not later than twenty-four hours from the occurrence of event or information to the stock exchanges. Further, various information/events have been specified under Part A of Schedule III of LODR. Particularly, clause no. 8 of Para B of Part A of Schedule III of LODR stipulates disclosure of "*litigation(s) / dispute(s) / regulatory action(s) with impact*".
3. Further, SEBI *vide* circular dated September 09, 2015 had stipulated the details of events/information given in the Part A of Schedule III of LODR. The said circular, *inter alia*, stipulates disclosure of 'assessment' to which a company becomes party or which is instituted against the company. Accordingly, the company should have disclosed the receipt of the aforesaid assessment orders / demand notices as soon as possible and not later than twenty-four hours from their receipt. However, the same were disclosed after considerable delay.
4. This caution letter is being issued after considering the company's explanation on the matter. The company is advised to place this letter before its board of directors and disclose the same to the stock exchanges. You are also advised to disclose the reason of non-disclosure of the aforesaid assessment orders / demand notices within the stipulated timeframe.

Yours faithfully,

Pradeep Ramakrishnan

सेबी भवन, प्लॉट सं. सी 4-ए, "जी" ब्लॉक, बान्द्रा कुर्ला कॉम्प्लेक्स, बान्द्रा (पूर्व), मुंबई - 400 051.  
दूरभाष : 2644 9950 / 4045 9950 (आई.बी.आर. एस.), 2644 9000 / 4045 9000 फैक्स : 2644 9019 से 2644 9022 वेब : [www.sebi.gov.in](http://www.sebi.gov.in)

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