

14.11.2024

To,

Department of Corporate Service,
BSE Limited
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai – 400001

Manager,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No C/1, G-Block,
Bandra – Kurla Complex, Bandra (E),
Mumbai – 400051

BSE Scrip Code: 532604

NSE Symbol – SALSTEEL

Dear Sir(s),

Subject: Disclosure under Regulation 30 read with Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to inform you that the Securities and Exchange Board of India ('SEBI') has issued an administrative warning to SAL Steel Limited ('the Company') vide their letter dated November 4, 2024 which was received through Speed post. The administrative warning has been issued with regard to non-Compliance with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The letter received from SEBI is provided in **Annexure**.

There is no impact on financial, operation or other activities of the Company pursuant to the above-mentioned administrative warning letter.

This is for your information and records.

Thanking you.

For SAL Steel Limited

Babulal M. Singhal

Director

DIN: 01484213

Encl.: As mentioned above



Deputy General Manager
Corporation Finance Department
Division of Supervision, Enforcement & Complaints - III
Email: atula@sebi.gov.in

BY SPAD

SEBI/HO/CFD/SEC-1/OW/P/2024/34308/1

November 04, 2024

S.A.L. Steel Ltd
5/1, Shreeji House, 5th Floor,
Behind M.J. Library,
Ashram Road,
AHMEDABAD – 380006
M: +91 9925103299
M: +91 9928543334

Kind Attention: Company Secretary and Compliance officer

Sir/Madam,

Subject: Administrative warning letter – Non-Compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”)

1. SEBI has conducted an examination into the violation of SEBI (LODR Regulations, 2015 (“LODR Regulations”) by S.A.L. Steel Ltd (“Company”).
2. During the course of examination, it was observed that the company failed to obtain prior approval of the shareholders of the company for the material related party transaction entered into with Shah Alloys Limited, who is a promoter of the company for the quarter ending September 2023.
3. The annual consolidated turnover of the Company for the FY 22-23 was Rs 510.13 crores whereas the value of RPTs with Shah Alloys Ltd. (“Shah”), a related party of the Company, during the half year ended September, 2023 was to the tune of Rs 51.01 crores.

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4. The value of Related Party Transactions ("RPTs") with Shah during the half year ended September, 2023 significantly exceeded the materiality threshold of 10 % prescribed under proviso to sub-regulation (1) of Regulation 23 of LODR Regulations.
5. Given the above, RPTs entered by the Company with Shah satisfy the materiality threshold prescribed under Regulation 23(1) of LODR Regulations, therefore, prior approval from the shareholders was required in terms of Regulation 23(4) of the said Regulations, for undertaking the said transactions.
6. Though the Company has obtained post facto approval of its shareholders for RPTs with Shah on September 29, 2024, the failure on the part of the Company to obtain prior approval of the shareholders of the Company has resulted in violation of Regulation 23(4) of LODR Regulations.
7. The aforesaid non-compliance has been viewed seriously. You are hereby warned and advised to ensure compliance with all applicable provisions of SEBI Regulations. Any such aberration in future would be viewed seriously and appropriate action would be initiated.
8. You are also advised to place this letter before your Board of Directors in its next meeting and disseminate the same in the Corporate Announcements section of the stock exchange(s) . The stock exchanges are advised to take note of the contents of the letter.

Yours faithfully,



Atul Agarwal



Copy to:

- 1) National Stock Exchange of India Limited
- 2) BSE Limited