



**SECRETARIAL COMPLIANCE REPORT
OF
STEEL AUTHORITY OF INDIA LIMITED**

For the year ended 31st March, 2020

We, Agarwal S. & Associates, Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by **Steel Authority of India Limited** ("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 31st March, 2020 ("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) Regulation, 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;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;



- (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;
- (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.

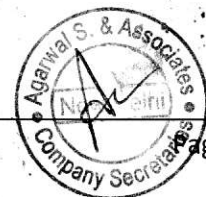
and circulars/ guidelines issued thereunder;

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 (1) (a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors. Provided that the Board of directors of the top 500 listed entities shall have at least one independent woman director by April 1, 2019.	The number of Non-executive Directors on the Board is less than fifty percent of the total strength during the period from 04.02.2020 to 31.03.2020 and the Company did not have independent woman director on the Board of Company during the period from 18.11.2019 to 31.03.2020	The Company is a listed entity Accordingly, fifty percent of the total strength of the board of directors shall comprise of non-executive directors during the period from 04.02.2020 to 31.03.2020. The Board of Directors of the Company shall have at least one independent woman director during the period from 18.11.2019 to 31.03.2020.
2.*	Regulation 17 (1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,	The number of Independent Directors on the Board is less than fifty percent of the total strength during the period	The Board of Directors of the Company is headed by an Executive Chairman. Accordingly, the number of Independent Directors should

	2015, where the listed entity does not have a regular non-executive chairperson, at least half of the Board of Directors shall comprise of Independent Directors.	from w.e.f. 06.11.2019 to 12.11.2019 and 18.11.2019 to 31.03.2020.	have been at least 50% of the total strength of Board Members during the period from 06.11.2019 to 12.11.2019 and 18.11.2019 to 31.03.2020.
3.*	Regulation 17 (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of independent directors shall be done by the entire Board of Directors.	The performance evaluation of Independent Directors has not been done by the entire Board of Directors.	The entire Board of Directors shall carry out the performance evaluation of Independent Directors.
4.*	Regulation 25(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors should have in their separate meeting: (a) review the performance of non-independent directors and the board of directors as a whole; (b) review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors.	The Independent Directors in their separate meeting has not: (a) reviewed the performance of non-independent directors and the board of directors as a whole; (b) reviewed the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors.	The Independent Directors should have in their separate meeting held on 30.05.2019, review the performance of non-independent directors and the board of directors as a whole and also review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors.
5.*	Regulation 19 (4) read with Schedule II Part D (A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, the Nomination and Remuneration Committee shall: (a) formulate the criteria	The Nomination and Remuneration Committee has not: (a) formulated the criteria for determining qualifications, positive attributes and independence of a director and recommend to the	The Nomination Committee shall formulate the said policies/criteria's.

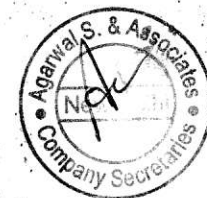


<p>for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;</p> <p>(b) formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;</p> <p>(c) devise a policy on diversity of Board of Directors.</p>	<p>Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;</p> <p>(b) formulated the criteria for evaluation of performance of Independent Directors and the Board of Directors;</p> <p>(c) devised a policy on diversity of Board of Directors.</p>	
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* As informed by the Management, SAIL is a Government Company and appointment of Directors on the Board of the Company is made based on nomination by Government of India (GOI). Further, terms & conditions of appointment as well as tenure of all Directors are also decided by GOI and there is a well laid down procedure for evaluation of Directors by the Administrative Ministry. Consequently, NRC has not formulated the criteria for determining qualifications, positive attributes and independence of a director, evaluation of performance of Independent Directors and the Board of Directors and policy on diversity of Board of Directors.

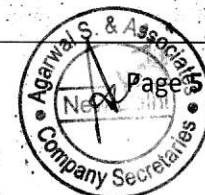
- (b) The listed entity has maintained proper records under the provisions of the above Regulations and Circulars/ Guidelines issued thereunder in so far as it appears from our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ 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.
NIL	NIL	NIL	NIL	NIL



(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 31.03.2019	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	Regulation 17 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,	The Board of Directors of the Company is headed by an Executive Chairman. Accordingly, the number of Independent Directors should have been at least 50% of the Board Members during the period from 07.05.2018 to 30.06.2018.	The matter for nominating of requisite number of Independent Directors on the Board of the Company has been regularly taken up with the Administrative Ministry.	SAIL is a Government Company and appointment of Directors on the Board of the Company is made based on nomination by Government of India (GOI).
2	Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,	The entire Board of Directors shall carry out the performance evaluation of Independent Directors.	In respect of observation regarding performance evaluation of the Directors not being carried out pursuant to the Regulation 17(10) & 25(4) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is submitted that Ministry of Corporate Affairs has vide its Notification dated 5th June, 2015 notified the exemptions to Government Companies from the provisions of the Companies Act, 2013 which, inter-alia,	The Company should carry out the performance evaluation of Independent Directors, as per regulation 17 (10) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015
3	Regulation 25 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,	The Independent Directors shall, in their separate meeting held on 03.08.2018, review the performance of non-independent directors and the board of directors as a whole and also review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors.	The Independent Directors should carry out the evaluation of Board of Directors, as per regulation 25 (4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015	



4	Regulation 19 (4) read with Schedule II Part D (A) of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015,	The Nomination Committee shall formulate the said policies/criteria's.	provides that Sub Sections (2), (3) & (4) of Section 178 regarding appointment, performance evaluation and remuneration shall not apply to Directors of the Government Companies. Further, the Ministry of Corporate Affairs vide Notification dated 5th July, 2017 has notified certain amendments in Schedule IV of the Companies Act, 2013 relating to Code for Independent Directors. As per the Notification, in Schedule IV, the clauses relating to evaluation of performance of Non-Independent Directors, Chairperson and Board have been exempted for Government Companies.	The Nomination Committee shall formulate the said policies/criteria's.
5	Regulation 33 (3)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the listed entity shall submit audited standalone financial results for the financial year, within sixty days from the end of the financial year along with the audit report.	The listed entity shall submit audited standalone financial results for the financial year ending on 31.03.2018, within sixty days from the end of the financial year along with the audit report to the BSE Limited. As per the information provided by the management, they have tried to upload the audited standalone and	Management took up the matter with BSE Limited for wavier of fine and BSE vide letter dated 17 th July, 2019 approved the waiver request.	Noted.



		consolidated financial results to the BSE Limited within the time schedule but the same could not be uploaded on the BSE website due to technical reasons which was informed to the stock exchange. However the same has been successfully uploaded on NSE website within due period.	
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For Agarwal S. & Associates,
Company Secretaries,
ICSI Unique Code: P2003DE049100



Anuradha

Signature: _____

Name of the Practicing Company Secretary: CS Anuradha Jain

ACS No.: 36639

C P No.: 14180

Place: New Delhi

Date: 24.06.2020

UDIN: A036639B000375472