



**SECRETARIAL COMPLIANCE REPORT OF
STEEL AUTHORITY OF INDIA LIMITED
FOR THE YEAR ENDED 31st MARCH, 2024**

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” or “SAIL”),
- (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 31stMarch, 2024 (“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 and Sweat Equity) Regulations, 2021;
- (f) 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;

And circulars/ guidelines issued thereunder;

We hereby report that, during the review period the compliance status of the listed entity with the following requirements:

- (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) (i)	Regulation /Circular No. (ii)	Deviations (iii)	Action Taken by (iv)	Type of Action (v) Advisory/ Clarification /Fine/Show Cause Notice/ Warning, etc.	Details of Violation (vi)	Fine Amount (vii)	Observations/Remarks of the Practicing Company Secretary (viii)	Management Response (ix)	Remarks (x)
1.	(a) Board of Directors shall have an optimum combination of executive and	Regulation 17(1)	The Company did not have requisite number of independent directors on its	BSE Limited (BSE) and National Stock Exchange of India (NSE) for the Quarter	Fine	Non-Compliance with the provisions of Regulation 17(1) of the Securities and Exchange	Rs. 5,31,000/- each inclusive of GST.	Refer column (vi) of Table (a)	The Company periodically followed up with the Government of India for	The Company has filed their reply to BSE & NSE dated 07.06.2023 for the Quarter ended 31.03.2023 stating

	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.		Board during the period from 01.01.2023 to 31.03.2023.	ended March, 2023.		Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 w.r.t. Composition of Board.			appointment of requisite number of independent directors on the Board. The Company has also requested for the waiver of the fines imposed for this Quarter ended March, 2023.	that the Company, being a Govt. Company, were regularly following up with the Govt. of India requesting for appointment of requisite number of Independent Directors. The matter of filing up of these vacancies is under process at the end of GOI.
2.	(a) Board of directors 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.	Regulation 17(1)	The Company did not have requisite number of independent directors on its Board during the period from 01.04.2023 to 30.06.2023.	BSE Limited (BSE) and National Stock Exchange of India (NSE) for the Quarter ended June, 2023.	Fine	Non-Compliance with the provisions of Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 w.r.t. Composition of Board.	Rs. 5,36,900/- each inclusive of GST.	Refer column (vi) of Table (a)	The Company periodically followed up with the Government of India for appointment of requisite number of independent directors on the Board. The Company has also requested for the waiver of the fines imposed for this Quarter ended	The Company has filed their reply to BSE & NSE dated 28.08.2023 and 06.09.2023 respectively for the Quarter ended 30.06.2023 stating that the Company, being a Govt. Company, were regularly following up with the Govt. of India requesting for appointment of requisite number of Independent Directors. The matter of filing up of these vacancies

									June, 2023.	is under process at the end of GOI.
3.	(a) Board of directors 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.	Regulation 17 (1)	The Company did not have requisite number of independent directors on its Board during the period from 01.07.2023 to 30.09.2023.	BSE Limited (BSE) for the Quarter ended September, 2023	Fine	Non-Compliance with the provisions of Regulation 17 (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 w.r.t. Composition of Board.	Rs. 5,42,800/- inclusive of GST	Refer column (vi) of Table (a)	The Company periodically followed up with the Government of India for appointment of requisite number of independent directors on the Board. The Company has also requested for the waiver of the fines imposed for the Quarter ended September, 2023.	The Company has filed their reply to BSE dated 02.12.2023 for the Quarter ended 30.09.2023 stating that the Company, being a Govt. Company, were regularly following up with the Govt. of India requesting for appointment of requisite number of Independent Directors. The matter of filing up of these vacancies is under process at the end of GOI.

4.	(a) Board of directors 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.	Regulation 17(1)	The Company did not have requisite number of independent directors on its Board during the period from 01.10.2023 to 31.12.2023.	BSE Limited (BSE) and National Stock Exchange of India (NSE) for the Quarter ended December, 2023	Fine	Non-Compliance with the provisions of Regulation 17 (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 w.r.t. Composition of Board	Rs.5,42,800 /- each inclusive of GST	Refer column (vi) of Table (a)	The Company periodically followed up with the Government of India for appointment of requisite number of independent directors on the Board. The Company has also requested for the waiver of the fines imposed for the Quarter ended December, 2023.	The Company has filed their reply to BSE and NSE dated 26.02.2024 and 22.02.2024 respectively for the Quarter ended December, 2023 stating that the Company, being a Govt. Company, were regularly following up with the Govt. of India requesting for appointment of requisite number of Independent Directors. The matter of filing up of these vacancies is under process at the end of GOI. Non-compliance with regard to the composition of the Board is not due to any negligence/default by the Company as the same is not under the control of the company.

5.	The listed entity shall disclose to the stock exchange in quarterly, half yearly and year to date and annual financial statements, as applicable, the extent and the nature of the security created and maintained with respect to its securities listed non-convertible debt securities.	Regulation 54(2)	The listed entity did not file disclosure under Regulation 54(2) for quarter ended 30.09.2023.	BSE Limited (BSE)	Fine	Non-compliance with the provisions of Regulation 54(2) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.	BSE imposed a fine of Rs. 38,940/- for the quarter ended 30.09.2023	Refer column (vi) of Table (a)	The company submitted to the Debenture /Bond Trustee a half yearly certificate regarding maintenance of 100% or more security cover as prescribed under regulation 56(1). The Company replied to BSE on 22.01.2024 stating that SAIL has submitted the information on the security cover required under Regulation 52(4), as a part of financial results.	
6.	The Listed entity shall submit to the stock exchange disclosure of related party transactions in the format as	Regulation 23(9)	The listed entity did not file disclosure under Regulation 23(9) for quarter ended 31.03.2023.	BSE Limited (BSE)	Fine	Non-compliance with the provisions of Regulation 23(9) of the Securities and Exchange Board of India (Listing Obligation and	BSE imposed a fine of Rs. 70,800/- for the quarter ended 31.03.2023	Refer column (vi) of Table (a)	The Company replied to BSE on 06.07.2023 stating that details related to Related party transactions of	

	<p>specified by the Board from time to time and publish the same on its website.</p>					<p>Disclosure Requirements) Regulations, 2015.</p>			<p>the company for the period ended 31.03.2023 was submitted in the PDF format along with its Annual Audited Results on 25.05.2023. The information required to be submitted in the prescribed format in XBRL after consideration of the results by the Board require time to prepare the same. Since the information, as mandated by Regulation 23(9) was submitted to the Stock Exchange in PDF format, it may not be treated as non-</p>	
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									compliance.	
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(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations/ Remarks of the Practicing Company Secretary in the previous reports (i)	Observations made in the Secretarial Compliance Report for the year ended March 31, 2023 (ii)	Compliance requirement (Regulations/ circulars/ guidelines including specific clause) (iii)	Details of violation/deviations and actions taken/ penalty imposed, if any, on the listed entity (iv)	Remedial actions, if any, taken by the listed entity (v)	Comments of the PCS on the actions taken by the listed entity (vi)
1.	Board of directors 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.	Refer to column no. (i) of table (b)	Regulation 17 (1)	The Company did not have requisite number of independent directors on its Board during the period from 01.01.2022 to 31.03.2022 and from 01.04.2022 to 30.06.2022. Action taken by BSE Limited (BSE) and National Stock Exchange of India (NSE) for the Quarter ended March 31, 2022 and June 30, 2022. BSE and NSE imposed a fine of Rs. 5,31,000/- and 5,36,900/-each inclusive of GST for the quarter ended	The Company periodically followed up with the Government of India for appointment of requisite number of independent directors on the Board.	Refer to column no. (v) of table (b)

				March 31, 2022 and June 30, 2022 respectively.		
2.	Non-Compliance w.r.t. Composition of Board and continuation of Non-Executive director who had attained the age of 75 years respectively.	Refer to column no. (i) of table (b)	Regulation 17 (1) & 17(1A)	<p>The Company did not have requisite number of independent directors on its Board for the Quarter ended September 30, 2022 and Dec 30, 2022. The company had a Non-Independent Director (Shri Nidgurti Shankarappa) who had attended the age of 75 years without passing special resolution for the Quarter ended September 30, 2022 and Dec 30, 2022.</p> <p>Action taken by BSE Limited (BSE) and National Stock Exchange of India (NSE) for the Quarter ended September 30, 2022 and Dec 30, 2022.</p> <p>BSE and NSE imposed a fine of Rs. 6,74,960/- and 6,44,280/- each inclusive of GST for the quarter ended Sep 30, 2022 and Dec 30, 2022 respectively.</p>	<p>With respect to non-compliance of Composition of Board, the Company periodically followed up with the Government of India for appointment of requisite number of independent directors on the Board.</p> <p>With regard to the non-executive director attaining age of 75 years, Shri Shankarappa has ceased to be a director of the company, since 12.11.2022 due to completion of his 3-year tenure.</p> <p>The Company has also requested for the waiver of the fines imposed for the</p>	Refer to column no. (v) of table (b)

					Quarter ended September 30 ,2022 and December 30, 2022.	
3.	The listed entity shall disclose to the stock exchange in quarterly, half yearly and year to date and annual financial statements, as applicable, the extent and the nature of the security created and maintained with respect to its securities listed non-convertible debt securities.	Refer to column no. (i) of table (b)	Regulation 54(2)	The listed entity did not file disclosure under Regulation 54(2) for quarter ended 31.03.2022. Action taken by BSE Limited (BSE) BSE imposed a fine of Rs. 35,400/- inclusive of GST for the quarter ended 31.03.2022	The company submitted to the Debenture /Bond Trustee a half yearly certificate regarding maintenance of 100% or more security cover as prescribed under regulation 56(1). The Company replied to BSE on 08.07.2022 stating that SAIL has submitted all the prescribed ratios as required under regulation 52(4) which also include the Total Debts to Total Assets ratio of the company to address the compliance under regulation 54(2).	Refer to column no. (v) of table (b)

(c) We hereby report that, during the review period the compliance status of the listed entity with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS
1.	<p><u>Secretarial Standard</u></p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI)</p>	Yes	<i>Generally complied with</i>
2.	<p><u>Adoption and timely updation of the Policies:</u></p> <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the Regulations/Circulars/Guidelines issued by SEBI 	Yes Yes	None None
3.	<p><u>Maintenance and disclosures on Website:</u></p> <ul style="list-style-type: none"> • The Listed entity is maintaining a functional website • Timely dissemination of the documents/information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-Directs to the relevant document(s)/section of the website 	Yes Yes Yes	None <i>Generally complied with.</i> None

4.	<u>Disqualification of Director:</u> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	None
5.	<u>To examine details related to Subsidiaries of listed entities:</u> (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries	Yes	None
6.	<u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy Prescribed under SEBI LODR Regulations, 2015	Yes	None
7.	<u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	NA	The Company has informed that the Directors of the Company are appointed/ nominated by the Government of India. Therefore, the performance evaluation is also done by Government of India, being appointing authority. Further, as per notification dated 5 th June, 2015 issued by the Ministry of Corporate Affairs, Government of India, Government Companies are exempted from complying with the provisions of section 134(3)(p) of the Companies Act, 2013 with respect to performance evaluation of Board and its Committees.

8.	<p><u>Related Party Transactions:</u></p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions</p> <p>(b) In case no prior approval obtained, the listed entity shall provide detailed reasons alongwith confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee</p>	Yes	None
9.	<p><u>Disclosure of events or information:</u></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed there under.</p>	Yes	<i>Except for Details of outcome of Board Meeting dated 21.07.2023 w.r.t. proposal on Issuance of Secured Non-Convertible Bonds / debentures through private placement not placed on the BSE and NSE.</i>
10.	<p><u>Prohibition of Insider Trading:</u></p> <p>The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015</p>	Yes	<i>The Company is marked as SDD Non-Compliant by the BSE Limited. The Software for SDD compliances is developed by the Company in house. SDD Certificate for the period ended 28th March, 2024 has been issued by the Practicing Company Secretary, and submitted to the Stock Exchange. BSE checked the SDD software through VC on 2nd May, 2024 and marked the status of company as SDD Compliant.</i>
11.	<p><u>Actions taken by SEBI or Stock Exchange(s), if any:</u></p> <p>No Actions taken against the listed entity/its promoters/directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and Circulars /guidelines issued thereunder</p>	No	Mentioned in Table (a) above

12.	<u>Resignation of statutory auditors from the listed entity or its material subsidiaries</u> In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	Appointment of Statutory Auditor has been done by the office of the Comptroller and Auditor General Auditor General of India (C&AG).
13.	<u>Additional Non-compliances, if any:</u> No additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	Yes	None

Assumptions & limitation of scope and review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial records and books of account of the listed entity.
4. This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **Agarwal S. & Associates,**
Company Secretaries,
ICSI Unique Code: P2003DE049100
Peer Review Cert. No.: 2725/2022

Digitally signed by
GARIMA GROVER
Date: 2024.05.28
17:40:54 +05'30'

Garima Grover
Partner

ACS No. :27100

C.P No.: 23626

UDIN: A027100F000471797

Date: 28.05.2024

Place: New Delhi