

Corporate Governance Report

1. Company's philosophy on Corporate Governance

Good Corporate Governance is essentially an integral part of values, ethics and the best business practices followed by the Company. The Company stresses upon the following core values:

- **Transparency:** We believe in dissemination of information on time and in transparent manner.
- **Protecting Stakeholders' interest:** As a trustee for various stakeholders, we believe in safeguarding and balancing the interest of all stake holders.
- **Integrity and ethics:** We believe in our commitments and strive to set high ethical standards.
- **Corporate and social responsibility:** We believe in caring for environment and surrounding communities.

The Company would constantly endeavor to improve these aspects.

2. Board of Directors

2.1 Composition

The Board of Directors comprises of eight directors, including two wholtime promoter directors, one wholtime professional director, and six (five w.e.f. 1st April 2021) independent directors. The independent directors are eminent professionals having rich and sound experience in diverse fields related to the business of the Company.

The names and categories of the directors on the board and other relevant information, as on 31st March, 2021, are as under:

Names of the Directors	Category	No. of other Directorships held*	Member/ Chairman of other Board committees®	No. of shares held in the Company
Mr. Kamal Kishore Sarda^	Promoter/ Executive	5	-	5,64,518
Mr. Pankaj Sarda^	Promoter/ Executive	11	4	6,91,107
Mr. Padam Kumar Jain	Professional/Wholtime	4	-	10,073
Mr. Asit Kumar Basu	Independent	3	5	4,000
Mr. Chittur Krishnan Lakshminarayanan	Independent	3	3	8,000
Mr. Gajinder Singh Sahni#	Independent	7\$	2	3,500
Mr. Jitender Balakrishnan	Independent	6	5	1,667
Mr. Rakesh Mehra	Independent	1	1	10,637
Ms. Tripti Sinha	Additional –Independent	-	-	NIL

* Including private limited companies / excluding directorships in foreign companies and the Company.

@ Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Companies (including the Company) have been considered.

Retired w.e.f. 1st April, 2021.

\$ Including one company under strike-off.

^ Except Mr. K.K. Sarda and Mr. Pankaj Sarda, no other director is related to any one in any manner. Mr. K. K. Sarda is father of Mr. Pankaj Sarda.

2.2 Board Meetings

The members of the Board are provided with the requisite information mentioned in the Listing Regulations well before the Board Meetings. Seven meetings of the Board of Directors were held during the year ended 31st March, 2021 as given hereunder:

i) 20th June, 2020	ii) 8th August, 2020	iii) 21st September, 2020
iv) 7th November, 2020	v) 13th January, 2021	vi) 13th February, 2021
vii) 30th March, 2021		

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The attendance record of the Directors at the Board Meetings during the year ended on 31st March, 2021 and at the last Annual General Meeting is as under :

Names of the Directors	No. of Board Meetings attended	Last AGM attended
Mr. Kamal Kishore Sarda	7	Yes
Mr. Pankaj Sarda	6	Yes
Mr. Padam Kumar Jain	7	Yes
Mr. Asit Kumar Basu	7	Yes
Mr. Chittur Krishnan Lakshminarayanan	7	Yes
Mr. Gajinder Singh Sahni [#]	7	Yes
Mr. Jitender Balakrishnan	7	Yes
Mr. Rakesh Mehra	7	Yes
Ms. Tripti Sinha ^{\$}	4	NA
Mrs. Uma Sarda [@]	3	Yes

Retired, w.e.f. 1st April, 2021

\$ Appointed w.e.f. 20th October, 2020

@ Resigned w.e.f. 6th November, 2020

2.3 Details of directorships in other listed companies with category of Company's directors is as under (as on 31st March, 2021):

S. No.	Name	Name of the Company	Designation
1	Mr. Kamal Kishore Sarda	Chhatisgarh Investments Limited	Chairman
2	Mr. Pankaj Sarda	NIL	NA
3	Mr. Padam Kumar Jain	NIL	NA
4	Mr. Asit Kumar Basu	Chhatisgarh Investments Limited	Independent Director
5	Mr. Gajinder Singh Sahni [#]	NIL	NA
6	Mr. Chittur Krishnan Lakshminarayanan	NIL	NA
7	Mr. Jitender Balakrishnan	India Glycols Limited	Independent Director
		Polyplex Corporation Limited	Independent Director
8	Mr. Rakesh Mehra	NIL	NA
9	Mrs. Tripti Sinha [@]	NIL	NA

Retired w.e.f. 1st April, 2021

@ Joined w.e.f. 20th October, 2020

2.4 List of Core Skills / Expertise / Competencies of directors

Your Company is engaged in Metal, mining and Power Sector. It is having an integrated steel manufacturing unit with facilities, ferro alloys backed by captive thermal power plant. The Company also operates in the hydropower sector through SPVs.

A chart setting out the list of core skills / expertise / competencies as identified by the Board of Directors as required in the context of its business and sector(s) for it to function effectively and those available with the Board are as follows :

S. No.	Name of Director	Qualification & Experience	Expertise
1	Mr. Kamal Kishore Sarda	B.E. (Mech.) Nearly 45 years of experience	Iron & Steel, Mining, Strategic Planning
2	Mr. Pankaj Sarda	MS in Industrial Administration Nearly 18 years of experience	Strategic Planning, Production, Operations, General Management
3	Mr. Padam Kumar Jain	Chartered Accountant / Company Secretary Nearly 35 years of experience	Accounting, Finance, Taxation, Budgeting, Costing, Corporate Laws
4	Mr. Asit Kumar Basu	BME Nearly 43 years of experience	Finance, Internal financial controls

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S. No.	Name of Director	Qualification & Experience	Expertise
5	Mr. Chittur Krishnan Lakshminarayanan	B. Tech Nearly 46 years of experience	Power Sector, Finance, Capital markets
6	Mr. Jitender Balakrishnan	B.E. (Mech.), PGDM in Industrial Management Nearly 43 years of experience	Power, Steel, Oil & Gas, Corporate Governance, Risk Assessment
7	Mr. Rakesh Mehra	FCWA Nearly 37 years of experience	Finance, Costing & Management Accounting
8	Ms. Tripti Sinha	B.E. (Electricals) Nearly 41 years of experience	Power

2.5 Independent Directors

The Company’s Independent Directors met once during the year without the presence of the management. Independent Directors discussed matters pertaining to the Company’s affairs and shared their views/ suggestions with Chairman & Managing Director and with the Board of Directors.

During the year, various familiarization programmes were conducted for the Independent Directors. The details of the same are available at – <https://seml.co.in/Corporate%20Governance/Familiarization%20Programmes.pdf> – on the website of the Company.

The Board of Directors confirm that in the opinion of the Board, all Independent Directors are independent of the management of the Company and have given declarations as required under the provisions of Section 149 (7) of the Companies Act, 2013 stating that they meet the eligibility criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

2.6 Code of Conduct

The Company has in place a comprehensive Code of Conduct (the Code) applicable to the Senior Executives and the Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as maybe applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law.

A copy of the Code has been put on the Company’s website (www.seml.co.in). The Code has been circulated to Directors and Senior Executives and its compliance is affirmed by them annually. A declaration signed by the Chairman & Managing Director is given below:

“I hereby confirm that the Company has obtained from all the members of the Board and senior executives, affirmation that they have complied with the Code of Conduct for Board of Directors and Senior Executives in respect of the financial year 2020-21.

K. K. Sarda
Chairman & Managing Director”

2.7 Particulars of Directors seeking appointment/reappointment.

Details under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) in respect of the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting to be held on 23rd September, 2021 are given as under:

1	Name	Mr. Padam Kumar Jain	Ms. Tripti Sinha
2	i) Age	58 years	62 years
	ii) Qualification	Chartered Accountant / Company Secretary	B.E. (Electricals) – Gold medalist - from Rani Durgawati University.
	iii) Date of appointment	01.06.2016	20.10.2020
3	Experience	Nearly 35 years of experience in Accounting, Finance, Taxation, Budgeting, Costing, Corporate Laws	Nearly 41 years of experience in state power sector
4	Terms & Conditions of re-appointment	Mr. Padam Kumar Jain is Wholetime Director, liable to retire by rotation & is also the CFO. Other terms and conditions as set out in the explanatory statement.	Ms. Tripti Sinha is Independent Women Director (Additional) on the Board. Necessary resolution for her appointment is being taken up in the ensuing AGM.

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5	Remuneration last drawn (including sitting fees, if any) (per annum)	₹ 58.89 lakh (F.Y. 2020-21)	₹ 3.80 lakh (F.Y. 2020-21), as sitting fees & commission
6	Remuneration / Sitting Fees proposed to be paid per month	As set out in the explanatory statement.	As per the terms of remuneration for non-executive directors approved by the members at the 41st AGM.
7	Other Directorships	Madhya Bharat Power Corporation Limited Sarda Dairy & Food Products Limited Sarda Power & Steel Limited Geschaft Formulae India Private Limited	---
8	Chairman/ Member of Committees	Sarda Energy & Minerals Limited- Risk Management Committee – Member	Sarda Energy & Minerals Limited- Risk Management Committee – Chairperson
9	Shareholding in the Company	10,073 Equity shares	NIL
10	No. of Board Meetings attended/held during Financial Year 2020-21	7/7	4/4 (since her joining)
11	Relationship with Directors	No relationship	No relationship

3. Committees of the Board

3.1 The details of the Board Committees and other related information are provided hereunder:

Audit Committee	Nomination & Remuneration Committee
Mr. Asit Kumar Basu (Chairman)	Mr. Gajinder Singh Sahni (Chairman till 31st March, 2021)
Mr. Chittur Krishnan Lakshminarayanan	Mr. Jinder Balakrishnan (Chairman w.e.f. 1st April, 2021)
Mr. Rakesh Mehra	Mr. Asit Kumar Basu
Mr. Pankaj Sarda	Mr. Chittur Krishnan Lakshminarayanan
	Mr. Kamal Kishore Sarda
Stakeholders' Relationship Committee	Corporate Social Responsibility Committee
Mr. Jitender Balakrishnan (Chairman)	Mr. Gajinder Singh Sahni (Chairman till 31st March, 2021)
Mr. Asit Kumar Basu	Mr. Rakesh Mehra (Chairman w.e.f. 1st April, 2021)
Mr. Pankaj Sarda	Mr. Kamal Kishore Sarda
	Mr. Pankaj Sarda
Risk Management Committee	
Mr. Kamal Kishore Sarda (Chairperson till 31st March, 2021)	
Ms. Tripti Sinha (Chairperson w.e.f. 1st April, 2021)	
Mr. Pankaj Sarda	
Mr. Padam Kumar Jain, WTD & CFO	
Mr. Sanjeev Agrawal	

Mr. Manish Sethi, Company Secretary, acts as the Secretary to all the Board Committees.

3.2 Meetings of the Board Committees and attendance of Directors at the meetings

Board Committees	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee
Meetings held	4	3	2	2	1
Attendance:					
Mr. Kamal Kishore Sarda	NA	2	NA	2	1
Mr. Pankaj Sarda	4	NA	2	2	1
Mrs. Uma Sarda®	NA	NA	NA	NA	NA

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Board Committees	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee
Mr. Padam Kumar Jain	NA	NA	NA	NA	1
Mr. Asit Kumar Basu	4	NA	2	NA	NA
Mr. Chittur Krishnan Lakshminarayanan	4	3	NA	NA	NA
Mr. Gajinder Singh Sahni [#]	NA	3	NA	2	NA
Mr. Jintender Balakrishnan	NA	3	2	NA	NA
Mr. Rakesh Mehra	4	NA	NA	NA	NA
Ms. Tripti Sinha ^{\$}	NA	NA	NA	NA	NA

@ Resigned w.e.f. 6th November, 2020

Retired, w.e.f. 1st April, 2021

\$ Appointed w.e.f. 20th October, 2020

3.3 Procedure at Committee Meetings

The procedure relating to Board meetings are applicable to Committee meetings as far as practicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist it in discharge of its duties/function(s). Minutes of the Committee meetings are circulated to the directors and placed at the Board meetings for noting.

3.4 Terms of Reference of Board Committees

Audit Committee

The terms of reference of the committee are as per the provisions of Section 177 of the Companies Act, 2013, read with the Listing Regulations.

As per the requirement/instructions of the Committee, representatives from various business units of the Company, Internal Auditors, Cost Auditors, Statutory Auditors, President/Plant Head and such other persons as the Committee may feel necessary, also attend the Audit Committee meeting(s) to respond to queries raised at the Committee meeting(s).

Nomination & Remuneration Committee

The Nomination & Remuneration Committee is responsible for:

- formulation of the criteria 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;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- devising a policy on diversity of board of directors;
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- recommend to the board, all remuneration, in whatever form, payable to senior management;
- carrying out any other function as is mentioned in the terms of reference of the committee.

Performance Evaluation: The Company has laid down criteria for performance evaluation of the Board, Committees, Independent Directors and other Directors. The said criteria are given as Annexure B to the Director's Report.

Remuneration policy: The Company's Remuneration Policy is directed towards rewarding performance based on review of achievements at periodical intervals. The remuneration policy is in consonance with the existing industry practice. The Company's remuneration policy for Directors, Key Managerial Personnel and other employees is annexed as Annexure C to the Directors' Report.

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The Executive Directors have been paid remuneration as per terms of their appointment. The Non-Executive Directors have been paid sitting fees for meetings of the Board and/or Committees attended by them. Also, pursuant to the approval of members, Non-Executive Independent Directors have been paid Commission on the net profits of your Company for the year 2020-21.

Details of remuneration to Chairman & Managing Director and Wholetime Directors are as under: (₹ in lakh)

Name of the Director	Salary	Perquisites & Allowances	Retiral Benefits	Commission	Total	Stock Options granted*
Mr. Kamal Kishore Sarda	164.64	18.43	7.50	275.00	465.57	NIL
Mr. Pankaj Sarda	70.94	0.29	5.46	225.00	301.69	NIL
Mr. Padam Kumar Jain [#]	54.36	0.29	4.24	--	58.89	NIL

[#]Also holds the office of CFO

* No stock options were granted during the year.

Contract period: Mr. Kamal Kishore Sarda, Chairman & Managing Director – Five years from 1st April, 2020.

Mr. Pankaj sarda, Jt. Managing Director – Five years from 1st November, 2017. To retire by rotation.

Mr. Padam Kumar Jain, Wholetime Director & CFO – five years w.e.f. 1st June, 2021. Required shareholders' approval is being sought in the ensuing AGM.

Severance Fees: Compensation as per the provisions of the Companies Act, 2013

Note: The above amount does not include contribution to gratuity fund, as separate figures are not available for the Chairman & Managing Director and Wholetime Directors.

Details of remuneration to Non-Executive Directors are as under:

Name of the Director	Sitting fees	Commission	Total
Mr. Asit Kumar Basu	2.00	5.00	7.00
Mr. Chittur Krishnan Lakshminarayanan	2.00	5.00	7.00
Mr. Gajinder Singh Sahni ^{\$}	1.80	5.00	6.80
Mr. Jitender Balakrishnan	1.80	5.00	6.80
Mr. Rakesh Mehra	1.80	5.00	6.80
Ms. Tripti Sinha [#]	0.80	3.00	3.80
Mrs. Uma Sarda [@]	0.60	2.00	2.60

^{\$} Retired w.e.f. 1st April 2021

[#] W.e.f. 20th October 2020

[@] resigned w.e.f. 6th November 2020

None of the Non-Executive Directors has any material financial interest in the Company apart from the remuneration by way of fees and commission received by them from the Company and its subsidiaries during the year.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee is responsible for:

- Resolution of the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Measures taken for effective exercise of voting rights by shareholders.
- Service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Company Secretary – Mr. Manish Sethi is the Compliance Officer.

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The number of complaints received during the year : No complaints were received during the year. Requests for issue of duplicate shares, share transmissions, revalidation of warrants and change in bank account details, were received which were attended promptly.

The number of complaints not solved to the satisfaction of shareholders : NIL

Number of pending complaints : No complaint was pending for redressal as on 31st March, 2021.

Corporate Social Responsibility Committee

The role of the Committee is to:

- a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013;
- b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above; and
- c) monitor the Corporate Social Responsibility Policy of the Company and its implementation from time to time.

Risk Management Committee

The Committee was non-mandatory for the Company during the year under review. The role of the Committee is to frame suitable risk management policy, subject to the approval of the Board of Directors and ensure its implementation.

4. General Body Meetings

The venue, date and time of the last three Annual General Meetings and the details of Special Resolutions passed thereat are as under:

Date	Time	Location	Special Resolution Passed
24th September, 2020	11.30 a.m.	The meeting was through Video Conferencing/ Other Audio-Visual Means (VC/OAVM). The place of AGM was deemed to be the Registered Office.	Special Resolutions to <ul style="list-style-type: none">- Re-appoint Mr. Kamal Kishore Sarda as Chairman & Managing Director for five years w.e.f. 01.04.2020- Issue NCDs upto an aggregate amount not exceeding ₹ 500 crore;- Issue equity shares on qualified institutional placement basis upto an aggregate amount not exceeding ₹ 1000 crore, were passed.
21st September, 2019	11.00 a.m.	Radisson Blu Hotel, 7 Wardha Road, Nagpur 440015	Special Resolutions to issue <ul style="list-style-type: none">- NCDs upto an aggregate amount not exceeding ₹ 500 crore;- equity shares on qualified institutional placement basis upto an aggregate amount not exceeding ₹ 1000 crore, were passed.
21st September, 2018	11.00 a.m.	Hotel Pride, Opp. Airport, Wardha Road, Nagpur - 440025	Special Resolutions to issue <ul style="list-style-type: none">- NCDs upto an aggregate amount not exceeding ₹ 500 crore;- equity shares on qualified institutional placement basis upto an aggregate amount not exceeding ₹ 1000 crore, were passed.

Special Resolution(s) passed through Postal Ballot

During 2020-21, no Special Resolution was passed through Postal Ballot. No Special Resolution is proposed to be passed through Postal Ballot as on the date of this report.

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5. Means of communication

Quarterly, half-yearly and annual results are submitted to the stock exchange in accordance with the Listing Regulations and published in Indian Express (English) and Loksatta (vernacular) newspapers. The financial results and other relevant information are placed simultaneously on your Company's website - www.seml.co.in. No news releases were made to the institutional investors or to the analysts during the year. During the year, presentations have been made to the institutional investors/analysts which have been submitted to the Stock Exchanges and have also been uploaded on the Company's website.

6. General shareholder information

Annual General Meeting	Date:	23 rd September, 2021
	Time:	11.30 a.m.
	Venue:	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated 5th May, 2020 and SEBI Circular dated 12th May, 2020. The Registered Office shall be deemed to be the venue of AGM.
Financial calendar for 2021-22(tentative)	:	
Financial results for the quarters ended:		
30 th June, 2021	:	1 st week of August, 2021
30 th September, 2021	:	1 st week of November, 2021
31 st December, 2021	:	1 st week of February, 2022
31 st March, 2022	:	4 th week of May, 2022 (audited)
Annual General Meeting (for F.Y. 2021-2022)	:	September, 2022
Dividend payment date (for F.Y. 2020-21)	:	Within 5 days from 23 rd September, 2021

Listing on stock exchanges :

Equity shares

The equity shares of the Company are listed on the following exchanges:

- BSE Limited, Mumbai (504614)
- The National Stock Exchange of India Limited, Mumbai (SARDAEN)
ISIN no. NSDL & CDSL - INE385C01013

No Security of the Company has been suspended from trading on any of the stock exchanges where they are listed. The Company has paid annual listing fees to the BSE Limited and to The National Stock Exchange of India Limited, Mumbai, for the equity shares for the financial year 2021-22.

Registrar and share transfer agents :

(for physical and electronic)

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road
Marol, Andheri East, Mumbai - 400059 (M.H.)

Share transfer system :

In view of the SEBI circular, share transfers in physical have been stopped from 1st April, 2019. However, share transmission, name deletion and duplicate share issue activities are continuing for physical shares.

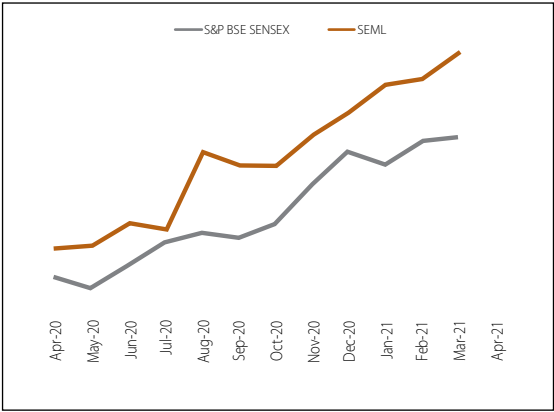
Since physical share transfers have been stopped, the member, in their own interest, are requested to get their shareholding dematerialized at an early date.

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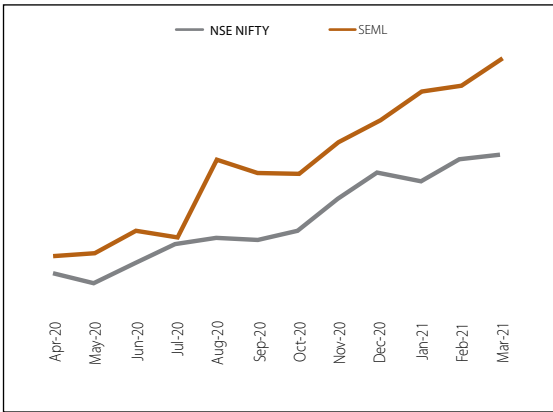
Market price data: High/low during the year 2020-21

Month	SEML price on the BSE (in ₹)		SEML price on the NSE (in ₹)	
	High	Low	High	Low
Apr, 2020	154.05	113.30	154.00	112.20
May, 2020	157.35	127.95	157.50	128.10
Jun, 2020	190.05	152.00	190.00	151.70
Jul, 2020	180.00	160.10	181.00	160.20
Aug, 2020	297.65	165.40	297.70	164.80
Sep, 2020	276.90	199.90	277.00	199.15
Oct, 2020	277.00	215.15	277.00	215.25
Nov, 2020	324.00	242.20	323.90	241.50
Dec, 2020	356.00	284.25	356.00	282.75
Jan, 2021	399.80	305.00	400.00	293.20
Feb, 2021	407.50	329.30	407.90	328.70
Mar, 2021	447.25	355.85	447.70	353.00

Comparison of SEML share price movements on BSE Sensex and NSE Nifty



Seml share price vs BSE Sensex



SEML share price vs Nifty

Shareholding pattern as on 31st March, 2021

Sl. No.	Category	No. of shares	Percentage
1.	Promoter and Promoter Group	2,61,34,360	72.50
2.	Banks/MFs /FIs/Ins.Cos. /NBFCs/AIFs	5,97,515	1.66
3.	Foreign Portfolio Investors	38,530	0.11
4.	Overseas Corporate Bodies	6,84,891	1.90
5.	Bodies Corporate	15,53,496	4.31
6.	Individuals NRIs	1,60,361	0.44
7.	Resident Individuals	62,32,720	17.29
8.	IEPF Authority	1,74,787	0.48
9.	Others	4,72,575	1.31
TOTAL*		3,60,49,235	100.00

*There are no outstanding GDRs/ADRs/Warrants/Convertible instruments of the Company.

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Distribution of shareholding as on 31st March, 2021

Shareholding of nominal value (₹)	Shareholders		No. of shares	
	Number	% to total	Number	% to total
Up to 5,000	17,681	91.18	18,84,027	5.23
5,001 – 10,000	790	4.07	6,27,848	1.74
10,001 – 20,000	436	2.25	6,59,046	1.83
20,001 – 30,000	149	0.77	3,76,896	1.04
30,001 – 40,000	72	0.37	2,58,782	0.72
40,001 – 50,000	51	0.26	2,33,676	0.65
50,001 – 1,00,000	91	0.47	6,66,128	1.85
1,00,001 and above	121	0.63	3,13,42,832	86.94
Total	19,391	100	3,60,49,235	100

Dematerialization of securities :

The Company has arrangement with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) for dematerialization of equity shares. As on 31st March, 2021, out of the total 3,60,49,235 equity shares held by about 19,391 (PY 20,478) shareholders, 3,57,77,468 (PY 3,57,63,104) equity shares held by 17,027 (PY 17,961) shareholders representing 99.25% (PY 99.21%) of the total paid-up equity capital have been dematerialized.

The Promoters hold their entire equity shareholding in the Company in dematerialized form.

7. Hedging of Risks

The Company has in place a Board approved policy which establishes the risk management framework and defines the procedures and controls for effective management of risk's faced by the Company. The Company is having exposure to foreign exchange fluctuation risk, however there is natural hedging partly available in terms of exports made by your Company and its subsidiaries and assets held in other currencies.

Currency hedging is guided by the hedging policy adopted by the Board.

In respect of price risk of raw materials used for manufacturing purpose, the same is taken care of as per industry requirement. The Company's exposure in none of the commodities, which are sourced for use in its business, is material in the context of its overall operations, and in terms of the 'Policy on Determination of Materiality for Disclosures(s)', as approved by the Board. Accordingly, the disclosure requirements prescribed under the SEBI Circular dated 15th November, 2018 are not applicable for the Company.

8. Credit Ratings

The details of credit ratings obtained/re-confirmed during the year are as under:

Particulars	Rating – 03.09.2020
Total facilities rated	₹ 876.40 crore
Long Term	CRISIL A+/Stable
Short Term	CRISIL A1

9. Disclosures

a) Related Party Transactions

During the period under review, the Company had not entered into any material significant related party transactions that may have potential conflict with the interest of the Company.

None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 34 of Standalone Financial Statements, forming part of the Annual Report.

The Company's major related party transactions are generally with its subsidiaries and associates. The related party transactions are entered into based on commercial considerations such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and Associates.

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All related party transactions are negotiated on an arms' length basis and are intended to further the Company's interests.

b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company was required to have a Women Independent Director on its Board w.e.f. 1st April, 2020. However, due to spread of Corona pandemic, suitable candidate for the office could not be appointed on or before the given date. The Company has complied with the requirements by appointing Women Independent Director w.e.f. 20th October, 2020. The Company had received notices for non-compliance and fine from the Stock Exchanges, which have been suitably replied. Considering the Company's representation, BSE has waived the fine for June, 2020 and September, 2020 quarter. The Company has made further representation.

Except as reported herein before, during the last three years, the Company has complied with all applicable Acts and Regulations and there was no non-compliance by the Company. Except as disclosed above, no penalties, strictures, fines were imposed on the Company by Stock Exchange or SEBI other or any statutory authority, on any matter related to capital markets.

Further, as reported earlier, the Company's application for delisting is pending with the Calcutta Stock Exchange, for long. The matter has been reported to SEBI. In view of the pendency of delisting application with the Calcutta Stock Exchange, the Company has stopped reporting about the same and has also stopped sending the information to the Calcutta Stock Exchange. Calcutta Stock Exchange is non-operational Stock Exchange.

c) Whistle Blower policy

The Company has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Head HR or the Compliance Officer who report to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

d) Compliance

Financial Statements: The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

Listing Regulations: There is no non-compliance of any of the requirements of Corporate Governance for the year under review as required under the Listing Regulations, except a delayed compliance, as reported under clause (b) herein above.

Apart from the above, the Company has also adopted the discretionary requirements of having unqualified financial statements and the Internal auditor reporting directly to the Audit Committee.

The Company has also complied with the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.

Pursuant to the requirement of Regulation 30 of the SEBI Listing Regulations, the Company would like to inform that no agreement(s) have been entered with media companies and/or their associates which has resulted/ will result in any kind of shareholding in the Company and consequently any other related disclosures viz., details of nominee(s) of the media companies on the Board of the Company, any management control or potential conflict of interest arising out of such agreements, etc. are not applicable. The Company has not entered into any other back-to-back treaties/ contracts/agreements/ MoUs or similar instruments with media companies and/or their associates.

Unclaimed Dividend / Transfer of shares to IEPF: In accordance with provisions of Section 124 and 15 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, audit, Transfer and Refund), Rules, 2016 (IEPF Rules) dividend not encashed/claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund (IEPF) Authority.

The IEPF Rules also mandate companies to transfer shares of Members, whose dividends remain unpaid/unclaimed for a continuous period of seven years, to the demat account of the IEPF Authority. The Members whose dividend/shares are transferred to the IEPF Authority can claim their shares/dividend from the Authority.

In accordance with above provisions, the Company has transferred the unpaid dividend till the F.Y. 2012-13 to the

Corporate Governance Report

IEPF. Additionally, as per the requirement and the procedures prescribed under the IEPF Rules, till date, the Company has transferred 1,74,787 shares to IEPF.

The Company had transferred unpaid dividend for F.Y. 2011-12 to IEPF in 2019. However, due to technical reasons, the payment of dividend to IEPF has not been updated in IEPF /MCA records because of which, the relevant details of shareholders required to be filed with MCA, could not be filed. Even the funds have not been received back by the Company for re-transfer to IEPF. The Company is following up with IEPFA and the banks for resolution of the matter.

The details of unpaid dividend lying with the Company, the details of unpaid dividend transferred to IEPF and the details of the shares transferred to IEPF are available on the website of the Ministry of Corporate Affairs (except for details relating to unpaid dividend of F.Y. 2011-12 and shares transferred in 2019, for the reason given herein before) and on the website of the Company. All shareholders whose shares have been so transferred can claim their shares and dividend from the IEPF Authority by following the prescribed procedure.

The Company has appointed Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company – www.seml.co.in.

e) Material financial & commercial transactions by Senior Management

There were no material financial & commercial transactions by Senior Management as defined in Regulation 26 of the Listing Regulations where they have any personal interest that may have a potential conflict with the interests of the Company at large requiring disclosure by them to the Board of Directors of the Company.

f) Governance Policies

The Company strives to conduct its business and strengthen relationships in a manner that is dignified, distinctive and responsible. The Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Accordingly, the Company has adopted various codes and policies to carry out its duties in an ethical manner as named hereunder:

- ✓ Code of Conduct
- ✓ Corporate Social Responsibility Policy
- ✓ Vigil Mechanism and Whistle Blower Policy
- ✓ Policy for determining Material Subsidiaries
- ✓ Code of Conduct for Prohibition of Insider Trading
- ✓ Policy for Selection of Directors and determining Directors Independence
- ✓ Remuneration Policy for Directors, Key Managerial Personnel and other Employees
- ✓ Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions

g) Web-links

1. Material Subsidiary Policy
<http://seml.co.in/Corporate%20Governance/Policy%20for%20determinig%20Material%20Subsidiaries.pdf>
2. Related Party Transaction Policy
<http://seml.co.in/Corporate%20Governance/Policy%20on%20Related%20Party%20Transactions.pdf>
3. Dividend Distrubution Policy
<http://seml.co.in/Corporate%20Governance/SEML%20-%20Dividend%20Distribution%20Policy.pdf>
4. Other Policies
<http://seml.co.in/policies.php>

h) The Board has adopted all the recommendations made by the committees of the board during the year.

i) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part amount to ₹ 34.24 lakh (Gross).

j) No complaint pertaining to sexual harassment of women employees was received during the year under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Accordingly, there is no information required to be furnished.

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k) Certificate from practising Company secretary

Certificate from Mr. Kamlesh Ojha, Partner M/s. S.G. Kankani & Associates, Practising Company Secretaries that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is as under:

TO WHOMSOEVER IT MAY CONCERN

I, Kamlesh Ojha, Partner of S.G. Kankani & Associates, Practising Company Secretaries do hereby certify that none of the directors on the board of M/s. Sarda Energy & Minerals Limited have been debarred or disqualified from being appointed or from continuing as directors of Companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority to the best of my knowledge.

This certificate is being issued as per Schedule V under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

For S.G. Kankani & Associates

Company Secretaries

CS Kamlesh Ojha

Partner

FCS No. 10807

CP. No. 14660

PR: 1396/2021

UDIN: F010807C000718681

Raipur
31st July, 2021

l) Plant Location

Industrial Growth Centre, Siltara, Raipur (C.G). 493 111
Ph: +91-771-2216100 / Fax: +91-771-2216198
e-mail: cs@seml.co.in

m) Address for correspondence

Regd. Office
73-A, Central Avenue, Nagpur (M.H.)
Ph: +91-771-2722407
e-mail: cs@seml.co.in

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INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Sarda Energy & Minerals Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 21st September, 2019.
2. We have examined the compliance of conditions of corporate governance by Sarda Energy & Minerals Limited ('the Company') for the year ended on 31st March, 2021, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March, 2021.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For, **O. P. Singhania & Co.**
Chartered Accountants
(ICAI Firm Reg. No. 002172C)

(Sanjay Singhania)
Partner
M.No.076961
UDIN: 21076961AAAADJ9247

Raipur
31st July, 2021