

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, downtrodden and

surrounding communities.

The Company would constantly endeavor to improve on these parameters.

2. Board of Directors

2.1 Composition

During the year 2023-24, the Board of Directors comprised of eleven directors, including two whole time promoter directors, one wholetime professional director, and eight 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, 2024, 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 Sarada [^]	Promoter Executive	5	-	54,84,550
Mr. Pankaj Sarada [^]	Promoter/ Wholetime	10	4	67,14,410
Mr. Padam Kumar Jain	Professional/Wholetime	-	1	97,880
Mr. Asit Kumar Basu [#]	Independent	3	4	38,870
Mr. Jitender Balakrishnan [#]	Independent	8	5	16,670
Mr. Rakesh Mehra [#]	Independent	2	1	1,03,400
Ms. Tripti Sinha	Independent	-	1	NIL
Mr. Amal Kumar Debnath [§]	Independent	-	1	NIL
Mr. Binoy Sandip Parikh [§]	Independent	1	2	NIL
Mr. Rajeev Sharma [§]	Independent	8	2	NIL
Mr. Upendra Prasad Singh [§]	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.

[^] Except Mr. K.K. Sarada and Mr. Pankaj Sarada, no other director is related to any other director in any manner. Mr. K.K. Sarada is father of Mr. Pankaj Sarada.

[#] Retired w.e.f. 1st April 2024

[§] Mr. Amal Kumar Debnath and Mr. Binoy Sandip

Parikh were appointed w.e.f 1st August 2023, Mr. Rajeev Sharma was appointed w.e.f 3rd February 2024 and Mr. Upendra Prasad Singh was appointed w.e.f 20th March 2024

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. Five meetings of the Board of Directors were held during the year ended 31st March 2024 as given hereunder:

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i)	27 th May, 2023	ii)	29 th July, 2023	iii)	27 th October, 2023
iv)	3 rd February, 2024	v)	20 th March 2024		

The attendance record of the Directors at the Board Meetings during the year ended on 31st March 2024 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	5	Yes
Mr. Pankaj Sarda	5	Yes
Mr. Padam Kumar Jain	5	Yes
Mr. Asit Kumar Basu [#]	5	Yes
Mr. Jitender Balakrishnan [#]	5	Yes
Mr. Rakesh Mehra [#]	4	Yes
Ms. Tripti Sinha	5	Yes
Mr. Amal Kumar Debnath [§]	3	Yes
Mr. Binoy Sandip Parikh [§]	3	Yes
Mr. Rajeev Sharma [§]	2	NA
Mr. Upendra Prasad Singh [§]	1	NA

Retired w.e.f. 1st April, 2024

§ Mr. Amal Kumar Debnath and Mr. Binoy Sandip Parikh were appointed w.e.f 1st August 2023, Mr. Rajeev Sharma was appointed w.e.f 3rd February 2024, and Mr. Upendra Prasad Singh was appointed w.e.f 20th March 2024.

2.3 Details of directorships as on 31st March 2024 in other listed companies with category of Company's directors is as under:

S. No.	Name	Name of the Company	Designation
1.	Mr. K.K. 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. Jitender Balakrishnan [#]	India Glycols Limited	Independent Director
		Polyplex Corporation Limited	Independent Director
6.	Mr. Rakesh Mehra [#]	NIL	NA
7.	Ms. Tripti Sinha	NIL	NA
8.	Mr. Amal Kumar Debnath [§]	NIL	NA
9.	Mr. Binoy Sandip Parikh [§]	Batliboi Limited	Independent Director
10.	Mr. Rajeev Sharma [§]	JSW Energy Limited	Independent Director
11.	Mr. Upendra Prasad Singh [§]	NIL	NA

Retired w.e.f. 1st April, 2023

§ Mr. Amal Kumar Debnath and Mr. Binoy Sandip Parikh were appointed w.e.f 1st August 2023, Mr. Rajeev Sharma was appointed w.e.f 3rd February 2024, and Mr. Upendra Prasad Singh was appointed w.e.f 20th March 2024

2.4 List of Core Skills / Expertise / Competencies of directors

The Company is engaged in metal, mining and power sector. It is having integrated steel manufacturing facility, ferro alloys manufacturing facility, backed by captive thermal power plants. The Company also operates in the hydropower sector through SPVs.

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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 Sarada	B.E. (Mech.) Nearly 48 years of experience	Iron & Steel, Mining, Strategic Planning
2	Mr. Pankaj Sarada	MS in Industrial Administration Nearly 21 years of experience	Strategic Planning, Production, Operations, General Management
3	Mr. Padam Kumar Jain	Chartered Accountant / Company Secretary Nearly 38 years of experience	Accounting, Finance, Taxation, Budgeting, Costing, Corporate Laws
4	Mr. Asit Kumar Basu [#]	BME Nearly 46 years of experience	Finance, Internal financial controls
5	Mr. Jitender Balakrishnan [#]	B.E. (Mech.), PGDM in Industrial Management Nearly 46 years of experience	Power, Steel, Oil & Gas, Corporate Governance, Risk Assessment
6	Mr. Rakesh Mehra [#]	FCWA Nearly 40 years of experience	Finance, Costing & Management Accounting
7	Ms. Tripti Sinha	B.E. (Electricals) Nearly 44 years of experience	Power
8	Mr. Amal Kumar Debnath [§]	B. Tech, Mining Nearly 41 years of experience	Mining and related matters
9	Mr. Binoy Sandip Parikh [§]	Chartered Accountant About 11 years of experience	Accounting, controls, Amalgamation & Mergers, Taxation
10	Mr. Rajeev Sharma [§]	B.Tech in Electrical Engineering Nearly 40 years of experience	Power sector
11	Mr. Upendra Prasad Singh [§]	B. Tech in Mechanical Engineering Nearly 38 years of experience	Administration

[#] Retired w.e.f. 1st April 2024

[§] Mr. Amal Kumar Debnath and Mr. Binoy Sandip Parikh were appointed w.e.f 1st August 2023, Mr. Rajeev Sharma was appointed w.e.f 3rd February 2024, and Mr. Upendra Prasad Singh was appointed w.e.f 20th March 2024

2.5 Independent Directors

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

During the year, familiarization programmes were conducted for the Independent Directors. The details of the same are available at -

<https://www.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 may be applicable to them depending on their roles and responsibilities. The Code gives guidance and

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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 2023-24.

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 26th September 2024 are given as under:

1	Name	Mr. Kamal Kishore Sarda	Mr. Pankaj Sarda
2	i) Age	72 years	45 years
	ii) Qualification	B.E. (Mech.)	B.E. (Industrial Engineering) from Nagpur University, Nagpur and Masters from Purdue University, USA.
	iii) Date of appointment	16.12.1978	31.10.2007
3	Experience	Nearly 48 years of Industrial experience in Iron & Steel, Mining, Strategic Planning	More than 21 years Industrial Experience.
4	Terms & Conditions of re-appointment	Mr. Kamal Kishore Sarda is Chairman & Managing Director of the Company, not liable to retire by rotation. Other terms and conditions are as set out in the explanatory statement.	Mr. Pankaj Sarda is Wholetime Director (Jt. Managing Director), liable to retire by rotation. Other terms and conditions are as set out in the explanatory statement to the Notice convening 49 th Annual General meeting.
5	Remuneration last drawn (including sitting fees, if, any)(per annum)	₹ 7.33 crore (F.Y. 2023-24)	₹ 6.02 crore (F.Y. 2023-24)
6	Remuneration / Sitting Fees proposed to be paid per month	As set out in the explanatory statement.	As approved by the members in the 49 th Annual General Meeting.
7	Other Directorships	Chhatisgarh Investments Limited Madhya Bharat Power Corporation Limited Parvatiya Power Limited Sarda Energy Limited	ABS Engineers Private Limited Comienzo Agri Science Limited Kalyani Coal Mining Private Limited Natural Resources Energy Private Limited

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1	Name	Mr. Kamal Kishore Sarda	Mr. Pankaj Sarda
		Sarda Metals & Alloys Limited	Prachi Agriculture & Properties Private Limited Raipur Mega Food Park Private Limited Rishabh Mining and Transport Company Private Limited Sarda Agriculture and Properties Private Limited Sarda Dairy & Food Products Limited Sarda Energy Limited
8	Chairman/ Member of Committees	<u>Sarda Energy & Minerals Limited-</u> Member – Corporate Social Responsibility Committee Member – Nomination & Remuneration Committee	<u>Sarda Energy & Minerals Limited-</u> Member – Audit Committee Member – Risk Management Committee Member – Stakeholders’ Relationship Committee
		<u>Chhatisgarh Investments Limited-</u> Chairman –Risk Management Committee Member –Nomination & Remuneration Committee Member – Corporate Social Responsibility Committee	<u>Sarda Dairy & Food Products Limited-</u> Member – Audit Committee Member – Nomination & Remuneration Committee
		<u>Sarda Metals & Alloys Limited-</u> Member –Nomination & Remuneration Committee	<u>Comienzo Agri Science Limited-</u> Member – Audit Committee
		<u>Sarda Energy Limited-</u> Chairman – Corporate Social Responsibility Committee	<u>Sarda Energy Limited-</u> Member – Corporate Social Responsibility Committee
9	Shareholding in the Company	54,84,550 Equity shares	67,14,410 Equity shares
10	No. of Board Meetings attended/held during Financial Year 2023-24	5/5	5/5
11	Relationship with Directors	Mr. Pankaj Sarda, Jt. Managing Director of the Company is relative of Mr. Kamal Kishore Sarda, as per Section 2 (77) of the Companies Act, 2013 read with The Companies (Specification of definitions details) Rules, 2014.	Mr. Kamal Kishore Sarda, Chairman & Managing Director of the Company is relative of Mr. Pankaj Sarda, as per Section 2 (77) of the Companies Act, 2013 read with The Companies (Specification of definitions details) Rules, 2014.
12	Listed entities from which resigned in the past three years	Nil	Nil

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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. Binoy Sandip Parikh (Chairman w.e.f. 1 st April 2024)	Mr. A.K. Basu (Chairman) [#]	Mr. Rakesh Mehra [#]	Mr. Pankaj Sarda
Mr. Rakesh Mehra [#]	Mr. Pankaj Sarda	Mr. Rajeev Sharma (Chairman w.e.f. 1 st April 2024)	Mr. J. Balakrishnan (Chairman) [#]
Mr. Rajeev Sharma (w.e.f 1 st April 2024)	Ms. Tripti Sinha	Mr. A.K. Basu [#]	Mr. Amal Kumar Debnath (w.e.f 1 st April 2024)
		Mr. K.K. Sarda	Mr. Rakesh Mehra [#]
		Mr. Upendra Prasad Singh (w.e.f 1 st April 2024)	
Stakeholders' Relationship Committee		Corporate Social Responsibility Committee	
Mr. Amal Kumar Debnath (Chairman w.e.f 1 st April 2024)	Mr. J. Balakrishnan (Chairman) [#]	Mr. Upendra Prasad Singh (Chairman w.e.f 1 st April 2024)	Mr. Rakesh Mehra (Chairman) [#]
Mr. Binoy Sandip Parikh (w.e.f. 1 st April 2024)	Mr. Padam Kumar Jain	Mr. K.K. Sarda	Ms. Tripti Sinha
Mr. Padam Kumar Jain	Mr. Pankaj Sarda		
Mr. Pankaj Sarda			
Risk Management Committee			
Ms. Tripti Sinha (Chairperson)			
Mr. Amal Kumar Debnath (w.e.f 1 st April 2024)			
Mr. Padam Kumar Jain, WTD & CFO			
Mr. Pankaj Sarda			
Mr. Sanjeev Agrawal			

Retired w.e.f. 1st April 2024

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 (2023-24)

Board Committees	Audit Committee	Corporate Social Responsibility Committee	Nomination & Remuneration Committee	Risk Management Committee	Stakeholders' Relationship Committee
Meetings held	4	2	5	2	1
Attendance:					
Mr. K.K. Sarda	NA	2	3	NA	NA
Mr. Pankaj Sarda	3	NA	NA	2	-
Mr. P.K. Jain	NA	NA	NA	1	1
Mr. A.K. Basu [#]	4	NA	5	NA	NA
Mr. J. Balakrishnan [#]	NA	NA	5	NA	1
Mr. Rakesh Mehra [#]	4	1	4	NA	NA
Ms. Tripti Sinha	4	2	NA	2	NA
Mr. Amal Kumar Debnath ^S	NA	NA	NA	NA	NA
Mr. Binoy Sandip Parikh ^S	NA	NA	NA	NA	NA
Mr. Rajeev Sharma ^S	NA	NA	NA	NA	NA
Mr. Upendra Prasad Singh ^S	NA	NA	NA	NA	NA

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Retired w.e.f. 1st April 2024

S Mr. Amal Kumar Debnath and Mr. Binoy Sandip Parikh were appointed w.e.f 1st August 2023, Mr. Rajeev Sharma was appointed w.e.f 3rd February 2024, and Mr. Upendra Prasad Singh was appointed w.e.f 20th March 2024.

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:

- a) 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;
- b) 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;

- c) 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;
- d) devising a policy on diversity of board of directors;
- e) 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;
- f) recommend to the board, all remuneration, in whatever form, payable to senior management;
- g) 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 A** 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 B** to the Directors' Report.

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 the Company for the year 2023-24.

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Details of remuneration to Chairman & Managing Director and Wholetime Directors are as under:

(₹ in lakh)

Name of the Director	Salary & Allowances	Perquisites	Retiral Benefits	Commission	Total*	Stock Options granted#
Mr. K.K. Sarda	200.64	24.61	7.50	500.00	732.75	NIL
Mr. Pankaj Sarda	87.62	6.70	7.50	500.00	601.82	NIL
Mr. Padam Kumar Jain [^]	78.26	3.12	7.50	85.00	173.88	NIL

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

No stock options were granted during the year

[^]Also holds the office of CFO.

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

Mr. Pankaj Sarda, Jt. Managing Director – Five years from 1st November 2022. To retire by rotation.

Mr. Padam Kumar Jain, Wholetime Director & CFO Five years from 1st June 2021. To retire by rotation.

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

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

(₹ in lakh)

Name of the Director	Sitting fees	Commission	Total
Mr. A.K. Basu [#]	1.90	15.00	16.90
Mr. J. Balakrishnan [#]	1.60	12.00	13.60
Mr. Rakesh Mehra [#]	1.70	12.00	13.70
Ms. Tripti Sinha	1.80	12.00	13.80
Mr. Amal Kumar Debnath [§]	0.60	8.00	8.60
Mr. Binoy Parikh [§]	0.60	8.00	8.60
Mr. Rajeev Sharma [§]	0.40	4.00	4.80
Mr. Upendra Prasad Singh [§]	0.20	2.00	2.20

Retired w.e.f. 1st April, 2024

§ Mr. Amal Kumar Debnath and Mr. Binoy Sandip Parikh were appointed w.e.f 1st August 2023, Mr. Rajeev Sharma was appointed w.e.f 3rd February 2024, and Mr. Upendra Prasad Singh was appointed w.e.f 20th March 2024

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.

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- b. Measures taken for effective exercise of voting rights by shareholders.
- c. Service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- d. 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.

The number of : During the year under review, complaints re- 5 complaints were received received during the which were resolved. 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 : NIL
complaints not solved to the satisfaction of shareholders

Number of pending : No complaint was pending for redressal as on 31st March 2024.

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 role of the Committee is, subject to the approval of the Board of Directors, to frame suitable risk management policy and ensure its implementation.

Details of Senior Management and changes therein during the year

S. No.	Name	Designation	Change/No change
1	Mr. Padam Kumar Jain*	Chief Financial Officer	No change
2	Mr. Anant Sarda	President	No change
3	Mr. Manish Sethi	Company Secretary	No change
4	Mr. Sanjeev Agarwal	Plant Head	No change
5	Mr. S.K. Shome	Mining Head	No change

*Mr. Padam Kumar Jain is also Whole-time Director.

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:

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Date	Time	Location	Special Resolution Passed
28 th September, 2023	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- <ul style="list-style-type: none"> - for appointment of Mr. Amal Kumar Debnath as Independent Director for a first term of five years w.e.f 1st August 2023; - for appointment of Mr. Binoy Sandip Parikh as Independent Director for a first term of five years w.e.f 1st August 2023; - to issue NCDs upto an aggregate amount not exceeding ₹ 1000 crore; - equity shares on qualified institutional placement basis upto an aggregate amount not exceeding ₹ 1,000 crore; were passed.
29 th September, 2022	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 Resolution to issue NCDs upto an aggregate amount not exceeding ₹ 500 crore was passed.
23 rd September, 2021	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 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 ₹ 1,000 crore, were passed.

Special Resolution(s) passed through Postal Ballot

During 2023-24, Special Resolution for Alteration in Authorized share capital was passed through Postal Ballot. The voting period for remote e-voting commenced on Wednesday, June 14, 2023 at 9.00 a.m. (IST) and ended on Thursday, July 13, 2023 at 5.00 p.m. Mr. Kamlesh Ojha, Partner, S.G. Kankani & Associates,

Practising Company Secretaries was appointed as the Scrutinizer for the purpose of scrutinizing the entire voting process. The report on the result of the postal ballot through remote e-voting for approving the aforementioned resolution was provided by the Scrutiniser on Saturday, July 15, 2023. Details of voting pattern is as under:

Item No.	Brief Description	Number of votes cast in favour		Number of votes cast against		Number of votes abstained		Total votes cast
		No of votes	% to total votes cast	No of votes	% to total votes cast	No of votes	% to total votes cast	
i)	Alteration in Authorized share capital	20083280	99.997%	688	0.003%	1	NA	20083968

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During current year 2024-25, the Company sought the approval of the shareholders by way of postal ballot on two Special Resolutions. The voting period for remote e-voting commenced on Thursday, 28th March, 2024 at 9.00 a.m. (IST) and ended on Friday, 26th April, 2024

at 5.00 p.m. (IST). The report on the result of the postal ballot through remote e-voting for approving the aforementioned resolutions was provided by the Scrutiniser on Saturday, 27th April, 2024. The details are as under:

Item No.	Brief Description	Number of votes cast in favour		Number of votes cast against		Number of votes abstained		Total votes cast
		No of votes	% to total votes cast	No of votes	% to total votes cast	No of votes	% to total votes cast	No of votes
i)	Appointment of Mr. Rajeev Sharma as Independent Director for a first term of five years w.e.f 3 rd February 2024	235568521	99.9974%	6128	0.0026%	-	-	235574649
ii)	Appointment of Mr. Upendra Prasad Singh as Independent Director for a first term of five years w.e.f 20 th March 2024	234678170	99.9974%	6031	0.0026%	890448	NA	234684201

In respect of the above Postal Ballot conducted by the Company during 2024-25, the Board of Directors had appointed Mr. Kamlesh Ojha (Membership No. FCS 10807, CP No. 14660) of S.G. Kankani & Associates, Practising Company Secretaries, as the Scrutiniser to scrutinise the postal ballot process, in a fair and transparent manner.

The aforesaid Postal Ballot was conducted by the Company as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and Circular issued by the Ministry of Corporate Affairs.

No Special Resolution is proposed to be passed through Postal Ballot as on the date of this report.

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 the 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:	26 th September 2024
	:	Time:	11.30 a.m.
	:	Venue:	The Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, latest being General Circular No. 09/2023 dated September 25, 2023 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting through video-conferencing/other audio-visual

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means ('VC/OAVM'), without the physical presence of the Members at a common venue. In compliance with the provisions of the Act and MCA Circulars, the AGM of the Company is being held through VC/OAVM. Registered Office shall be deemed to be the venue of AGM.

Dividend payment	:	On or after 26 th September 2024 (subject to approval of the shareholders at the AGM)
Financial calendar for 2024-25(tentative)	:	
Financial results for the quarters ended:		
30 th June 2024	:	1 st week of August 2024
30 th September 2024	:	1 st week of November 2024
31 st December 2024	:	1 st week of February 2024
31 st March 2025	:	4 th week of May, 2025 (audited)
Annual General Meeting (for F.Y. 2024-25)	:	September, 2025

Listing on stock exchanges	:	
Equity shares	:	The equity shares of the Company are listed on the following exchanges:
		i) BSE Limited, Mumbai (504614)
		ii) The National Stock Exchange of India Limited, Mumbai (SARDAEN)
		ISIN no. NSDL & CDSL - INE385C01021

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 The National Stock Exchange of India Limited, Mumbai, for the equity shares for the financial year 2024-25.

Registrar and share transfer agents (for physical and electronic)	:	Bigshare Services Private Limited Office No S6-2, 6th Floor Pinnacle Business Park, Next to Ahura Centre Mahakali Caves Road Andheri (East), Mumbai - 400093 (M.H.)
Share transfer system	:	In terms of the SEBI circular, share transfers in physical have been stopped from 1 st April 2019. Further, w.e.f. January 2022, pursuant to SEBI Circular, the Company has stopped processing of duplicate, transmission, cases in physical. The requests received are now converted into demat mode at the time of processing. The members, in their own interest, are requested to get their shareholding dematerialized at an early date.

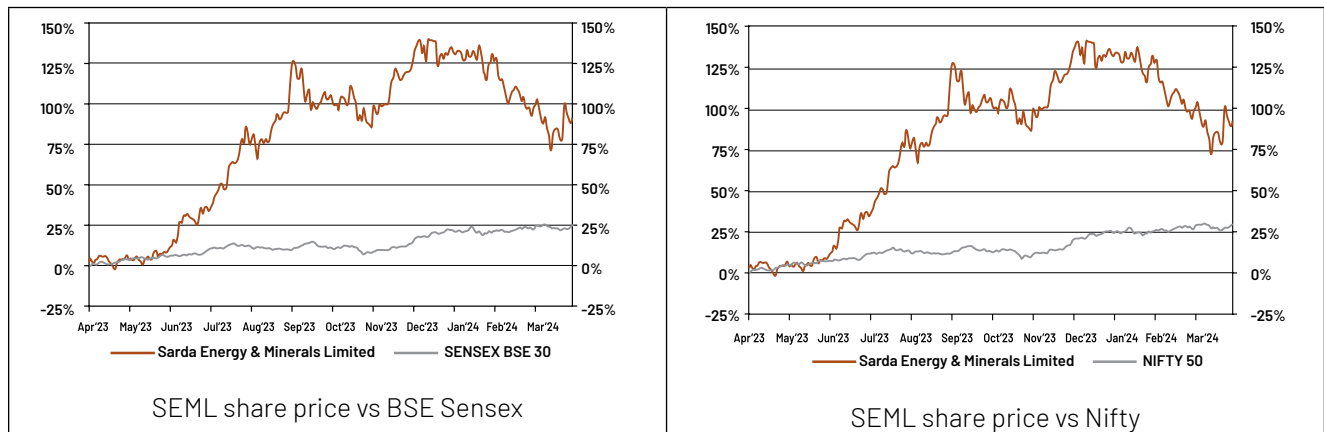
Corporate Governance Report

Market price data: High/low during the year 2023-24*

Month	SEML price on the BSE (in ₹)		SEML price on the NSE (in ₹)	
	High	Low	High	Low
Apr.,2023	1,171.45	1,048.00	1,174.45	1,046.05
May.,2023	1,197.05	1,071.00	1,190.95	1,072.15
Jun.,2023	1,482.95	1,149.95	1,485.00	1,151.10
Jul.,2023	2,025.00	1,425.05	2,025.00	1,430.00
Aug.,2023	2,050.00	173.25	2,050.00	173.15
Sep.,2023	256.00	208.75	256.00	209.00
Oct.,2023	234.30	193.30	234.80	193.05
Nov.,2023	248.05	198.90	248.15	199.00
Dec.,2023	264.95	234.50	265.00	234.00
Jan.,2024	263.15	229.85	263.40	229.40
Feb.,2024	253.55	205.25	253.25	205.25
Mar.,2024	225.50	180.50	225.60	180.25

* During the year 2023-24, the Company has split its each fully paid-up Equity Share of face value of ₹ 10/- (Rupees Ten) each, into 10(ten) fully paid-up Equity Shares having face value of ₹ 1/- (Rupee One). Accordingly, the market price data from August 2023 (partly) onwards is after considering the split of shares.

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



Corporate Governance Report

Shareholding pattern as on 31st March 2024

Sl. No.	Category	No. of shares	Percentage
1.	Promoter and Promoter Group	25,59,74,260	72.64
2.	Banks/MFs/FIs/Ins.Cos./NBFCs/AIFs	1,27,18,515	3.61
3.	Foreign Portfolio Investors	94,90,652	2.69
4.	Bodies Corporate	90,22,802	2.56
5.	Individuals NRIs	16,60,529	0.47
6.	Resident Individuals	5,89,92,856	16.74
7.	IEPF Authority	20,02,940	0.57
8.	Others	25,18,716	0.72
	TOTAL*	35,23,81,270	100.00

*There are no outstanding GDRs/ADRs/Warrants/Convertible instruments of the Company. During the year 2023-24, the Company has split its each fully paid-up Equity Share of face value of ₹ 10/- (Rupees Ten) each, into 10 (ten) fully paid-up Equity Shares having face value of ₹ 1/- (Rupee One).

Distribution of shareholding as on 31st March 2024

Shareholding of nominal value (₹)	Shareholders		No. of shares	
	Number	% to total	Number*	% to total
Up to 5,000	53456	97.12	30348814	8.61
5,001 – 10,000	790	1.43	5865145	1.66
10,001 – 20,000	377	0.68	5496222	1.56
20,001 – 30,000	131	0.24	3232783	0.92
30,001 – 40,000	59	0.11	2067822	0.59
40,001 – 50,000	45	0.08	2050713	0.58
50,001 – 1,00,000	75	0.14	5383574	1.53
1,00,001 and above	108	0.20	297936197	84.55
Total	55,041	100.00	35,23,81,270	100.00

* During the year 2023-24, the Company has split its each fully paid-up Equity Share of face value of ₹ 10/- (Rupees Ten) each, into 10 (ten) fully paid-up Equity Shares having face value of ₹ 1/- (Rupee One).

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, 2024, out of the total 35,23,81,270 equity shares held by about 55041 (PY 26,836) shareholders, 35,05,20,490 (PY 3,50,10,434) equity shares held by 53,396 (PY 24,845) shareholders representing 99.47% (PY 99.35%) of the total paid-up equity capital have been dematerialized.

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

* During the year 2023-24, the Company has split its each fully paid-up Equity Share of face value of ₹ 10/- (Rupees Ten) each, into 10 (ten) fully paid-up Equity Shares having face value of ₹ 1/- (Rupee One).

Corporate Governance Report

Details of shares transferred to the Suspense Escrow Demat Account are as under:

S. No.	Particulars	Details of shares transferred pursuant to SEBI Circular dated January 25, 2022	
		No. of shareholders	No. of shares*
i)	Aggregate number of shareholders and the outstanding shares lying in the suspense account at the beginning of the year	1	290
ii)	Number of shareholders whose shares were transferred to suspense account during the year	2	1840
iii)	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	1	1250
iv)	Number of shareholders to whom shares were transferred from suspense account during the year	1	1250
v)	Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year	2	880

* During the year 2023-24, the Company has split its each fully paid-up Equity Share of face value of ₹ 10/- (Rupees Ten) each, into 10 (ten) fully paid-up Equity Shares having face value of ₹ 1/- (Rupee One).

Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

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 the 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
Total facilities rated	₹ 1,476.21 crore
Long Term	CRISIL AA-/Stable
Short Term	CRISIL A1+

9. Disclosures

a) Related Party Transactions

During the period under review, the Company had not entered into any material 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. 35 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

Corporate Governance Report

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.

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.

During the last three years, the Company has complied with all applicable Acts and Regulations and there was no non-compliance by the Company. 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.

- 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.

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 / Transfer of dividend on shares transferred 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

Corporate Governance Report

till the F.Y. 2015-16 to the IEPF. Additionally, as per the requirement and the procedures prescribed under the IEPF Rules, till 31.03.2024, the Company has transferred 20,02,940 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 (relating to dividend and shares transferred to IEPF) 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 the authorities/bank for resolution of the matter. Pending resolution of the matter, the Company shall not be able to accept the claims of dividend/shares from IEPF relating to F.Y. 2011-12 and shares transferred to IEPF in 2019.

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
2. Related Party Transaction Policy
3. Dividend Distribution Policy
4. Other Policies

If for some reasons/technical issues, the links do not support, the members are requested to refer the policies section under the heading Investors on the website of the Company.

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 amounts to ₹ 0.44 crore (Gross).

Corporate Governance Report

- 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.
- k) disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested:

S. No.	Name	Nature	Amount (₹ crore)*
1	Sarda Hydro Power LLP	Loan	0.45
2	Chhatisgarh Investments Ltd.	Loan	366.71

* Outstanding as on 31.03.2024

- l) Details of material subsidiaries of the Company, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries are as under:

S. no	Name of Subsidiary	Place and date of Incorporation	Name of Auditor	Date of Appointment
1.	Madhya Bharat Power Corporation Limited	Delhi 07/09/1994	Ajay Sindhvani & Co.	22/08/2022
2.	Sarda Metals & Alloys Limited	Mumbai 21/10/2008	Singhi & Co.	24/09/2020

- m) 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:

CERTIFICATE

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

FRN: P1998CG012600

PR: 1396/2021

(CS KAMLESH OJHA)

PARTNER

FCS No.: 10807

CP No. : 14660

UDIN:

F010807F000888563

Place: Raipur (C.G.)

Date: 3rd August, 2024



Corporate Governance Report

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

Corporate Governance Report

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, 2024, 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, 2024.

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

Sd/-
(Sanjay Singhania)
Partner

M.No.076961

UDIN: 24076961BKAPEL6569

Raipur

3rd August 2024