

STEEL AUTHORITY OF INDIA LIMITED

Ref No:CA/Shares/OFS-EM-OFFER/1

Dated: 22nd .January, 2021

CIRCULAR

Subject: Offer of SAIL Equity Shares to Eligible Employees of Steel Authority of India Limited & its Subsidiary as per the DIPAM letter dated 19th January, 2021 – Employee Offer for Sale (“Employee Offer”)

1. To inculcate a sense of participation and belongingness amongst the Company employees, pursuant to the approval by the Alternative Mechanism in its meeting held on 13th January, 2021, the President of India, acting through the Ministry of Steel, Government of India ("Seller") is proposing to offer up to 2,06,52,626 equity shares of face value of Rs.10.00 each, representing 0.5% of the total paid up equity share capital of Steel Authority of India Limited (SAIL), to the eligible and willing employees of SAIL and its subsidiaries and units at **Rs.67.35** per equity share (the "**Offer Price**" and such offer, the "**Employee Offer**").
2. The offer under the Employees Offer shall remain open from 0900 hours on 24th January, 2021 till 2345 hours on 27th January, 2021.
3. An "Eligible Employee" shall mean all or any permanent and full time employee of the Company as on the cut-off date and who continues to be an employee of the Company on each of the offer dates and on the settlement date, working and present in India as on the settlement date. The cut-off date for determining the eligibility to participate in the Employee Offer is **13th January, 2021**.
4. The Minimum number of equity shares which can be applied by eligible employees is 10 (Ten) equity shares and in multiple of 1 (One) thereafter, however subject to Maximum of 7,423 (Seven Thousand Four Hundred Twenty Three) equity shares.
5. The Maximum number of equity shares which can be applied by the eligible employees should not be of value exceeding Rs.5.00 lakhs (7423 Equity Share). However, any bids by eligible employees will be considered for allocation, in the first instance, for an amount up to Rs.2.00 lakhs (2969 Equity Shares). Provided that in the event of under-subscription in the employee portion, the unsubscribed portion may be allotted on a proportionate basis, for a value in excess of Rs.2.00 lakhs, subject to the condition that total allotment to an employee not exceeding Rs.5.00 lakhs.

6. In the event of any over-subscription in the Employee Offer, an eligible employee applying shall get proportionate allotment of the equity shares on the basis of the number of equity shares applied for.
7. The offer to eligible employees to the extent of unsubscribed portion of the Employee Offer shall deem to have lapsed.
8. The participating eligible employees would be required to submit their application in the form prescribed and provide details of their full name, employee code, date of regular employment, address, demat account details (i.e. DP ID and Client ID¹), PAN, the number of equity shares applied for, payment details and mode of payment². The application shall be submitted online at the provided link.
9. Equity shares will be issued to the eligible employees in DEMAT Mode only. It is necessary for the Eligible Employees to have a Demat Account with any of the depository participants.
10. The eligible employees shall have no right of renunciation/ assignment in favour of any person in respect to the Employee Offer shares. The shares can be applied for in the name of the eligible employee only and no applications for joint holding of shares shall be accepted. However, if an eligible employee holds a demat account jointly with another party, then these equity shares can be transferred to such demat account by the Seller, if the name of eligible employee is reflected as the primary holder of such Demat account. Further, the eligible employees shall have no right to apply for shares beyond the prescribed limits i.e. (Min-10 shares and Maximum-7423 shares).
11. There shall be no lock-in period for the shares issued to the employees under the Employee offer.
12. Any excess amount paid by the Eligible Employees shall be refunded to them within 10 working days after transfer of shares.
13. Refunds if any, would be deposited in the Bank Account of the respective applicants, details of which shall be obtained from the Depository Participants.
14. No interest is payable by the Company or the Seller on the application money/ refund amount.
15. Bank charges, if any, levied with respect to the remittance made for application towards the equity shares shall be to the account of respective Eligible Employee.
16. Nodal Officer for facilitating the Employee Offer shall be Company Secretary, at Corporate Office and Head of Personnel at Plants and Units.

17. The Seller will take necessary steps for transfer of the equity shares from its demat account to the demat account of eligible employees whose applications are found to be valid and complete in all respects and who are transferred / allotted equity shares in accordance to the terms and allocation methodology set forth herein.
18. All eligible employees should be careful while making the payment for the equity shares applied against the Employee Offer and all payments made should be commensurate to the number of equity shares applied for in accordance with the price per equity shares as set forth above. In case there is a mismatch in the amount paid and number of equity shares applied for, allotment will be done for the number of equity shares arrived at by reverse calculation based on amount actually paid/credited, subject to allotment of equity shares in accordance with the allocation methodology set forth above.
19. Illustration: The below examples are for illustration purpose only.

No. of Shares Applied for	Amount to be paid (in Rs.)
10	673.50
100	6,735.00
2969	1,99,962.15
7423	4,99,939.05

20. The internet link to apply for the Employee Offer is as follow:

<https://www.onlinesbi.com/sbcollect/icollecthome.htm?corpID=5142>

21. This is issued with the approval of Competent Authority.

Sd-
(M. B. Balakrishnan)
Company Secretary

Note:

1. In case the Eligible Employee holds a demat Account with depository participant under Central Depository Services(India) Limited, his DP-Id shall be the first eight (8) digits of his demat account number, and his Client-Id shall be the last eight (8) numbers of his demat account number
2. For payment of consideration for the applied number of shares the online application will direct the eligible employee to make the payment from his bank account.

INSTRUCTIONS TO LOG INTO THE INTERNET LINK

- 1. PRESS CONTROL TAB AND CLICK ON THE LINK**
- 2. SBI COLLECT SITE WILL APPEAR. CLICK ON THE BOX TO ACCEPT THE DISCLAIMER CLAUSE AND CLICK 'PROCEED'**
- 3. AGAINST 'SELECT CORPORATE/INSTITUTION*' DROP BOX SELECT NATIONAL CAPITAL TERRITORY OF DELHI AND CLICK 'GO'**
- 4. AGAINST 'SELECT PAYMENT CATEGORY*' DROP BOX SELECT '1 SAIL OFS EMPLOYEES'.**
- 5. ENTER YOUR SAIL PERSONAL NUMBER AND CLICK 'SUBMIT'**
- 6. THE APPLICATION FORM WITH FEW PREFILLED DATA WILL APPEAR. YOU APPLY AS PER THE CIRCULAR AND PROCEED FOR PAYMENT**