STEEL CITY SECURITIES LIMITED
(CIN : L67120AP1995PLC019521)
AN ISO 9001 : 2015 CERTIFIED COMPANY

MEMBER OF NSE, BSE, MSEI, MCX & NCDEX
CAPITAL MARKET, EQUITY DERIVATIVES,
CURRENCY DERIVATIVES & COMMODITY DERIVATIVES SEGMENTS
SEBI Regd. No. INZ 000223538

POINT OF PRESENCE OF NSDL-CRA
DEPOSITORY PARTICIPANT (DP) OF
NSDL & CDSL :
SEBI Permanent Regd. No. IN-DP-231-2016

Date: 15th March, 2022

To,
National Stock Exchange of India Limited
Exchange Plaza, Plot No: C1, G Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400051

Symbol: STEELCITY
ISIN: INE395H01011

Dear Sir/ Madam,

Sub: Disclosure as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the above, we, M/s. Steel City Securities Limited would like to bring to your kind notice that one of the Shareholders of the Company, Mr. G. Raja Gopala Reddy, who was once an Executive Director of the Company, has raised a Complaint against the Company and its Managing Director with various regulatory authorities and with similar allegations, with regard to the educational qualifications of Mr. Satish Kumar Arya. The Complainant made complaints to all the regulators and the subjective matter is now sub judice before 1st Additional Chief Metropolitan Magistrate, Visakhapatnam. The Company has obtained clarifications from Mr. Satish Kumar Arya, Managing Director of the Company and hence we submit as follows:

The Complainant, Sri G. Raja Gopala Reddy, as mentioned in the Complaint is not a mere Shareholder of the Company but his association with the Company is much more deeper than that was mentioned by him. He was one of the

STEEL CITY SECURITIES LTD. VISAKHAPATNAM-16

Promoter-Director of the Company and also one of the subscribers to the memorandum of the company at the time of incorporation of the Company in the year 1995. He was also the Executive Director of the Company in the Year 1997. In the year 2012, he resigned from the Directorship of the company due to personal reasons and continued as a shareholder of the company. He sold 12,81,700 Equity shares of the company (Valued at Rs 6,92,11,800 (approx)) amounting to 10.35% of the total Capital of the Company, held in his name before 2017. In 2017, during the initial public offer of the Company, he also offered 6,90,468 shares of the Company (valued at Rs. 3,79,75,740 (approx)) held in his name in the offer for sale and also signed a declaration which is attached in the prospectus of the Company dt:11/01/2017 as a selling shareholder.

After a gap of eight years (i.e)., in August,2020, he rejoined the Company as a Consultant and provided his services to the Company as a Consultant till 15th January,2021. During the said period as consultant of the Company, various attempts were made by the complainant to obtain the position of Managing Director and the same was placed before the board for consecutively three times and he failed to muster the confidence of the Board of the company and finally failed to become Managing Director of the Company. The agendas and the outcome submitted by the Company to the National Stock Exchange of India, where the shares of the Company are listed is available on the website of NSE. As a consequence, the complainant bore grudge against the Board and more particularly against Mr. Satish Kumar Arya whom the complainant wanted to unseat as the Managing Director and install himself in that capacity. The complaints to Exchanges, SEBI and Police are the resultant outcome of such grouse.

With reference to the allegations made by the Complainant about the educational qualifications held by Mr. Satish Kumar Arya, We would like to bring to your kind notice that:

At the outset, it is submitted that educational qualification is not a prerequisite for holding Directorship. Without prejudice to what is stated above, it is submitted that the tabulated educational qualifications given in the complaint are a distortion of truth. Mr. Satish Kumar Arya completed his higher secondary

STEEL CITY SECURITIES LTD. ★ VISAKHAPATNAM-16 ★

(equivalent to 12th Std) of the Central Board of Secondary Education in the year 1977. Thereafter he joined in Indian Navy in the year 1978 and took voluntary retirement in the year 1993.

In the year 2001, Mr. Satish Kumar Arya obtained the degree of Bachelor of Alternative Systems of Medicine (BASM) from Indian Board of Alternative Medicine, Kolkata, Distance mode. Mr.Satish Kumar Arya made a disclosure of this qualification in the offer document. As regards, the allegations levelled by the complainant against the institute, it is submitted that there were no such allegations in the year 2001 when Mr. Satish Kumar Arya obtained the degree.

In the year 2004, Mr. Satish Kumar Arya obtained PG diploma, which was an 18 months course, in Business Administration (PGDBM) from Indian Institute of Management and Technology, Chennai in distance mode. Said admission was given on the basis of BASM. The complainant states that the institute is not recognized by UGC. It is submitted that the institute was established in the year 1993. It offers many courses including business management, business Administration, Total Quality Management, Quality Control and Quality Assurance, etc. It is one of the few institutions in India to introduce new diploma courses on ISO 9000, QS 14000 under correspondence education. It is to be noted that there was no suppression of any information by Mr. Satish Kumar Arya in the offer document.

In the year 2005, he obtained B. Com degree from Kalinga University with an intention to possess a formal degree in Commerce since he is into the field of Finance after joining Steel City Securities Limited. The allegations about the possession of B. Com degree from Andhra University are false. Further, the B. Com degree obtained from Kalinga University is a valid certificate.

It is clearly revealed in the judgment of the Supreme Court that the Kalinga University was de-notified pursuant to the order of the Supreme Court of India but only with effect from 11-02-2005. The B. Com degree obtained by Satish Kumar Arya from Kalinga University is a valid certificate as the degree was awarded well before the aforementioned date.

STEEL CITY SECURITIES LTD. ★ VISAKHAPATNAM-16 ★

In the year 2009, Mr. Satish Kumar Arya obtained a Ph. D from New age International University after fulfilling all the requirements of the curriculum.

In so far as allegations that Satish Kumar and Satish Kumar Arya are two different entities and that some of the qualifications stand in the name of Satish Kumar while others stand in the name of Satish Kumar Arya, it is submitted that there is only one entity. Upto Higher Secondary, the name was Satish Kumar. When he joined in BASM, he, being an arya samaji, added the word Arya in his application form. Accordingly the degree was awarded to Satish Kumar Arya which also got carried in the PGDBM. When it came to Kalinga University, it was insisted by the university, that what is contained in the higher secondary certificate alone will be allowed and accordingly degree certificate was given in the name of Satish Kumar.

It is pertinent to point out that a perusal of the date of birth in the school, institute and university records would reveal that Satish Kumar and Satish Kumar Arya is one and the same person. There will also be photographs affixed in the records which will reveal the identity of the applicant. The driving license and the Ex-serviceman Identity card show the name as Satish Kumar with the same date of birth. The passport and AADHAAR show the name as Satish Kumar Arya but with the same date of birth.

We would like to inform you that all the Five accounts mentioned in the Complaint belongs to our clients who hold accounts with the Company in the normal course of business of the Company just like any other client as the Company is a registered Stock Broker with SEBI.

Further, we would like to inform you that our Company has not provided any financial facility to any of its clients either on its own or through any of its group Company to purchase its own Shares, as alleged by the Complainant. All the transactions mentioned in the Complaint were done in the normal course of business of the Company. Further, all the transactions mentioned in the Five accounts of the clients of the Company were done in the normal course of business of the Company and there were no violations of the rules/ regulations.

STEEL CITY SECURITIES LTD. * VISAKHAPATNAM-16 *

In summation, the educational qualifications disclosed by Mr. Satish Kumar Arya in the Offer Document of the Company dt: 11.01.2017 are genuine and valid. It is further submitted that the Company/ Satish Kumar Arya have not violated any rules and regulations of any act in any manner. He performed / discharged his duties well within the four walls of the regulations of the Regulators. He also claims that he has and will continue to act in the best interests of the Company, that he will never aggrandize himself at the cost of the Company, that all the decisions are the collective decisions of the Board, there was no misuse of Public money, there were no undue favours to any individual. He also claims that he has been diligent in discharging his duties as Managing Director of the Company. It appears that the Complainant is wrongfully attempting to achieve his nefarious goals and ulterior motives, by deceitfully involving regulatory authorities and regulatory mechanism in his personal matters.

This is for your kind information and records.

Thanking You,

For Steel City Securities Limited

Srividya

M. Srividya
Company Secretary & Compliance Officer

STEEL CITY SECURITIES LTD. ★ VISAKHAPATNAM-16 ★