

R.Subramanian and Company LLP

CHARTERED ACCOUNTANTS

FRN : 004137S / S200041

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Independent Auditor's Review Report on the Quarterly Unaudited Standalone of the Company Pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Review report to
The Board of Directors

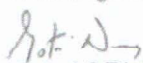
The Sandur Manganese and Iron ores Limited

1. We have reviewed the accompanying statement of unaudited financial results of The Sandur Manganese And Iron ores Limited ("the Company") for the quarter ended September 30, 2020 ("the Statement") attached herewith, being submitted by the Company pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulation"), as amended.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting policies and principles generally accepted in India, read with the Circular is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian accounting standards ("Ind AS") specified under the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

for R. Subramanian and Company LLP

Chartered Accountants

Firm Registration Number: 0004137S/S200041


Gokul S Dixit

Partner

Membership No: 209464

UDIN: 20209464AAAAAJ6640

Place: Chennai

Date: November 9, 2020



Branches :

BANGALORE

DELHI

MUMBAI

HYDERABAD



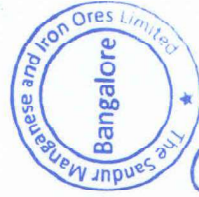
The Sandur Manganeese & Iron Ores Limited

Registered Office: 'Satyalaya', Door No.266 (Old No80), Ward No.1, Behind Taluka Office Palace Road, Sandur - 583 119, Ballari District
CIN:L85110KA1954PLC003759

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30.09.2020

Particulars	Three months ended		Corresponding three months ended in the previous year		Half-year ended		Corresponding Half year ended in the previous year		Year to date figures for the previous year ended	
	30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)	31.03.2020 (Audited)
Statement of Audited/Unaudited results										
1. Revenue from operations										
I. Revenue from operations	14,331	12,855	13,808	13,808	27,186	33,451	27,186	33,451	59,161	59,161
II. Other income	289	368	340	340	657	493	657	493	868	868
III. Total Income (I + II)	14,620	13,223	14,148	14,148	27,843	33,944	27,843	33,944	59,727	59,727
IV. Expenses										
(a) Cost of materials consumed	778	681	2,382	2,382	1,459	4,688	1,459	4,688	6,858	6,858
(b) Changes in inventories of finished goods and work-in-progress	(1,478)	1,966	(1,759)	(1,759)	488	(2,158)	488	(2,158)	(1,849)	(1,849)
(c) Employee benefits expense	2,590	2,210	2,275	2,275	4,800	4,505	4,800	4,505	9,177	9,177
(d) Finance costs	158	152	162	162	310	328	310	328	673	673
(e) Depreciation and amortisation expense	528	517	466	466	1,045	895	1,045	895	1,947	1,947
(f) Other expenses (Refer note 9 below)	5,905	4,281	6,176	6,176	10,186	13,230	10,186	13,230	25,441	25,441
Total expenses	8,481	9,807	9,702	9,702	18,288	21,488	18,288	21,488	42,247	42,247
V. Profit before tax (III - IV)	6,139	3,416	4,446	4,446	9,555	12,456	9,555	12,456	17,480	17,480
VI. Tax expense	1,722	798	1,491	1,491	2,520	4,630	2,520	4,630	3,793	3,793
Current tax	303	287	236	236	590	(349)	590	(349)	(1,052)	(1,052)
Deferred tax	2025	1,085	1,727	1,727	3,110	4,281	3,110	4,281	2,741	2,741
Total tax expense	4,114	2,331	2,719	2,719	6,445	8,175	6,445	8,175	14,739	14,739
VII. Profit for the year/ period (V - VI)	(195)	(4)	(66)	(66)	(199)	(70)	(199)	(70)	(89)	(89)
VIII. Other comprehensive income										
A. (i) Items that will not be reclassified to the statement of profit and loss	69	1	24	24	70	25	70	25	31	31
(a) Remeasurement of post-employment benefit obligations										
(b) Income tax relating to these items										
B. (i) Items that may be reclassified to the statement of profit and loss	(51)	(29)	(47)	(47)	(80)	(68)	(80)	(68)	-	-
(a) Cost of hedging - Fair value change	17	-	30	30	17	70	17	70	70	70
(b) Cost of hedging - reclassification	11	9	6	6	20	(1)	20	(1)	(24)	(24)
(c) Income tax relating to these items	3,965	2,308	2,666	2,666	6,274	8,131	6,274	8,131	14,727	14,727
IX. Total comprehensive income for the year/ period (VIII + IX)	45,70	25,90	31,07	31,07	71,60	93,43	71,60	93,43	163,73	163,73
X. Earnings per equity share (of ₹ 10 each) (not annualised)										
Basic and diluted (₹)										

See accompanying notes to the financial results



2

₹ lakh

Segment wise revenue, results, assets and liabilities (Primary Segment)						
Particulars	Three months ended	Preceding three months ended	Corresponding three months ended in the previous year	Half-year ended	Corresponding Half year ended in the previous year	Year to date figures for the previous year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment revenue						
(a) Mining	12,669	11,993	11,831	24,662	27,890	49,364
(b) Ferroalloys and power	2,347	993	2,277	3,340	6,106	10,951
(c) Unallocable	10	-	53	10	83	186
	15,026	12,986	14,161	28,012	34,079	60,501
Less: Inter segment revenue	695	131	353	826	628	1,340
Total	14,331	12,855	13,808	27,186	33,451	59,161
2. Segment results						
(a) Mining	6,576	5,165	6,017	11,741	15,004	23,887
(b) Ferroalloys and power	440	(1,020)	(487)	(580)	(427)	(926)
	7,016	4,145	5,530	11,161	14,577	22,961
Less: (i) Finance costs	158	152	162	310	328	673
(ii) Other unallocable expenditure/ (income) net of unallocable (income)/ expenditure	719	577	922	1,296	1,793	4,808
Profit before tax	6,139	3,416	4,446	9,555	12,456	17,480
3. Segment assets						
(a) Mining	16,656	14,541	15,172	16,656	15,172	15,796
(b) Ferroalloys and power	34,753	36,207	31,190	34,753	31,190	37,677
(c) Unallocable	1,01,611	1,06,617	80,373	1,01,611	80,373	92,725
Total	1,53,020	1,57,365	1,26,735	1,53,020	1,26,735	1,46,197
4. Segment liabilities						
(a) Mining	12,156	11,894	10,887	12,156	10,887	10,623
(b) Ferroalloys and power	7,199	7,226	7,019	7,199	7,019	7,608
(c) Unallocable	43,422	51,967	30,714	43,422	30,714	43,996
Total	62,777	71,087	48,620	62,777	48,620	62,227



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₹ Lakh

Notes :

1.Statement of assets and liabilities	Particulars	As at	As at
		30.09.2020 (Unaudited)	31.03.2020 (Audited)
ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment		24,244	24,719
(b) Capital work-in-progress		61,799	55,719
(d) Investment property		4,883	4,895
(e) Other intangible assets		60	111
(f) Right to use asset		669	915
(g) Financial assets			
(i) Investments		54	44
(h) Trade receivables		949	977
(i) Other financial assets		2,959	3,549
(i) Deferred tax assets (Net)		7,506	7,466
(j) Other non-current assets			
SUB-TOTAL		1,03,123	98,395
CURRENT ASSETS			
(a) Inventories		12,117	16,163
(b) Financial assets		14,253	5,670
(i) Investments		5,628	3,080
(ii) Trade receivables		5,568	3,423
(iii) Cash and cash equivalents		3,051	9,338
(iv) Other bank balances		263	238
(v) Other financial assets		9,020	9,890
(c) Other current assets		49,900	47,802
SUB-TOTAL		1,53,023	1,46,197
TOTAL ASSETS			
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital		900	900
(b) Other equity		89,343	83,070
SUB-TOTAL		90,243	83,970
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial liabilities		32,802	33,122
(i) Borrowings			
(ii) Trade payables		2,692	576
(iii) Other financial liabilities		965	797
(b) Provisions		36,459	34,495
SUB-TOTAL			
CURRENT LIABILITIES			
(a) Financial liabilities		1,671	6,865
(i) Borrowings			
(ii) Trade payables			
Total outstanding dues to micro & small enterprises		7,610	8,041
Total outstanding dues of creditors other than micro & small enterprises		8,438	6,526
(iii) Other financial liabilities		79	47
(b) Provisions		517	-
(c) Current tax liabilities (Net)		8,006	6,263
(d) Other current Liabilities		26,321	27,732
SUB-TOTAL		1,53,023	1,46,197
TOTAL LIABILITIES			



THE SANDUR MANGANESE AND IRON ORES LIMITED

2. Statement of cash flows for the half year ended 30 September 2020

Particulars	Half year ended 30 Sept 2020	Year ended 31 Mar 2020
Cash flows from operating activities		
Profit before tax for the period/ year	9,555	17,480
Adjustments for:		
Depreciation and amortisation expense	1,045	1,947
Gain on disposal of property, plant and equipment	-	(1)
Capital work in progress written off/ Assets discarded	-	41
Finance costs	310	673
Interest income	(224)	(621)
Dividend income	(71)	(152)
Gain on investments carried at fair value	(296)	336
Rental income from investment properties	(31)	(59)
Impairment of goodwill	-	150
Reclassification of hedge reserve	17	70
Net foreign exchange (gain)/loss	9	490
Operating profit before working capital changes	10,314	20,355
Adjustments for (increase)/ decrease in operating assets:		
Other non-current financial assets	28	(127)
Other non-current assets	0	-
Inventories	4,046	(9,684)
Trade receivables	(2,547)	(989)
Other current financial assets	7	122
Other current assets	870	(6,605)
Adjustments for (increase)/ decrease in operating liabilities:		
Other non-current financial liabilities	2,346	8
Non-current provisions	168	201
Trade payables	(439)	98
Other current financial liabilities	(461)	443
Current provisions	32	(12)
Other current liabilities	1,554	15
Cash generated from operations	15,918	3,826
Income taxes paid	(2,026)	(5,156)
Net cash generated by operating activities	13,892	(1,330)
Cash flows from investing activities		
Additions to property, plant and equipment, intangible assets (including capital work-in-progress and capital advances)	(6,890)	(32,125)
Proceeds from sale of property, plant and equipment	0	1
Bank balances not considered as cash and cash equivalents (Purchase)/ sale of investments (net)	6,287	(6,192)
Interest received	(8,298)	441
Rental income from investment properties	192	628
Dividends received	31	59
Net cash (used in)/generated by investing activities	71	152
Cash flows from financing activities		
Proceeds from long term borrowings	(8,506)	(37,037)
Proceeds from short term borrowings		
Finance costs	2,625	33,122
Dividends paid	(5,194)	6,865
Lease liability paid	(310)	(673)
Tax on dividends	-	(919)
Net cash used in financing activities	(261)	(439)
	(3,140)	(189)
Net increase in cash and cash equivalents	2,145	(599)
Cash and cash equivalents at the beginning of the period	3,423	4,022
Cash and cash equivalents at the end of the period	5,568	3,423



Notes :
 3. The above statement of financial results for the half year ended September 30, 2020 was reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on November 9, 2020.

4. The figures for the three months ended on 30 September 2020 are the balancing figures between unaudited figures of half year ended 30 September 2020 and unaudited figures of three months ended 30 June 2020

5. These financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and in terms of the Listing Regulations, as modified by Circular No. CIR/CFD/FAO/62/2016 dated July 5, 2016.

6. Unallocated segment assets and liabilities include ₹53.651 lakh and ₹ 4.970 lakh (March 2020: ₹ 48,690 lakh and ₹ 9,309 lakh) respectively of assets under construction and related liabilities pertaining to implementation of Stage 1 of the Iron and Steel project (0.4MTPA Coke oven plant).

7. Pursuant to the Taxation Laws (Amendment) Ordinance, 2019 issued on September 20, 2019, which is effective from April 1, 2019, Indian domestic companies have the option to apply a lower income tax rate with effect from April 1, 2020 subject to certain conditions specified therein. The Company has not exercised the option of adopting the lower income tax rate and has recognised provision for income-tax and deferred tax liability for the half year ended September 30, 2020 based on the already prevailing income tax rate. The Company has carried forward unabsorbed depreciation, accumulated MAT credits and tax incentives to be availed/adjusted against future taxable profits. Based on financial projections prepared by the management, including its plan for future capital expenditure, the Company has determined that exercising the option of lower rate will not be beneficial in the foreseeable future.

8. The Company has considered the possible effects that may arise out of the still unfolding COVID-19 pandemic on the carrying amounts of property, plant & equipment including capital work in progress, intangible assets, investments, inventories, trade receivables, other Financial assets, other Assets etc. For this purpose, the Company has considered internal and external sources of information up to the date of approval of the Standalone Financial Results including credit reports and related information, economic forecasts, market value of certain investments etc. Based on the current estimates, the Company does not expect any significant impact on such carrying values. The Company will continue to closely monitor for any material changes to future economic conditions.

9. The break up of other expenses is as below

Particulars	Three months ended		Preceding three months ended		Corresponding three months ended in the previous year		Half-year ended		Corresponding Half year ended in the previous year		Year to date figures for the previous year ended	
	30.09.2020 (Unaudited)	1,628	30.06.2020 (Unaudited)	913	30.09.2019 (Unaudited)	1,545	30.09.2020 (Unaudited)	2,641	30.09.2019 (Unaudited)	3,085	31.03.2020 (Audited)	6,094
(a) Mine running expenses	889	452	1,899	1,940	1,560	1,560	1,521	1,560	1,560	1,560	3,146	3,146
(b) Freight, loading and siding charges	2,146	1,899	1,940	1,958	4,789	4,789	4,045	4,789	4,789	4,789	8,060	8,060
(c) Rates and taxes	1,262	1,017	2,279	2,279	3,796	3,796	2,279	3,796	3,796	3,796	8,141	8,141
(d) Other expenses	5,905	4,281	4,281	6,176	13,230	13,230	10,186	13,230	13,230	13,230	25,441	25,441
Total												

10. The figures of the previous year/ periods have been regrouped / reclassified where necessary.

Bengaluru
 November 09th, 2020

for and on behalf of the Board of Directors
Bahisji. A. Worpade
 BAHIRJIA. GHORPADE
 Managing Director

