

# R.Subramanian and Company LLP

## CHARTERED ACCOUNTANTS

FRN : 004137S / S200041



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Independent Auditor's Review Report on the Unaudited Quarterly Financial Results of The Sandur Manganese & Iron Ores Limited Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To  
The Board of Directors  
The Sandur Manganese & Iron Ores Limited

1. We have reviewed the accompanying statement of unaudited financial results of **The Sandur Manganese & Iron Ores Limited** ("the Company") for the quarter ended September 30, 2021 and year to date results for the period from April 1, 2021 to September 30, 2021 ("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, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared 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. Our responsibility is to express a conclusion on the Statement based on the 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. A review of interim financial information consists of making inquiries, primarily of the company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. 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, prepared in accordance with applicable Indian Accounting Standards 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 33 of the Regulation, as amended, 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: 21209464AAAAAM3864

Place: Bengaluru  
Date: November 10, 2021





# The Sandur Manganese & 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:L85110KA1954PLC000759

## STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30.09.2021

Particulars	₹ lakh					
	Three months ended	Preceding three months ended	Corresponding three months ended in the previous year	Year to date figures for six months ended	Corresponding six months ended in the previous year	Year to date figures for the previous year ended
	30.09.2021 (Unaudited)	30.06.2021 (Unaudited)	30.09.2020 (Unaudited)	30.09.2021 (Unaudited)	30.09.2020 (Unaudited)	31.03.2021 (Audited)
<b>Statement of Unaudited/ Audited results</b>						
<b>1. Revenue from operations</b>						
I. Revenue from operations	56,568	47,505	14,331	1,04,073	27,186	74,659
II. Other income	826	807	289	1,633	657	1,777
<b>III. Total income (I + II)</b>	<b>57,394</b>	<b>48,312</b>	<b>14,620</b>	<b>1,05,706</b>	<b>27,843</b>	<b>76,436</b>
<b>IV. Expenses</b>						
(a) Cost of materials consumed	13,366	11,110	778	24,476	1,459	12,114
(b) Changes in inventories of finished goods and work-in-progress	105	(878)	(1,478)	(773)	488	(46)
(c) Employee benefits expense	2,653	2,573	2,590	5,226	4,800	10,193
(d) Finance costs	989	1,032	158	2,021	310	1,306
(e) Depreciation and amortisation expense	1,225	1,221	528	2,446	1,045	2,681
(f) Other expenses (Refer note 8 below)	9,727	9,287	5,905	19,014	10,186	25,235
<b>Total expenses</b>	<b>28,065</b>	<b>24,345</b>	<b>8,481</b>	<b>52,410</b>	<b>18,268</b>	<b>51,483</b>
<b>V. Profit before tax (III - IV)</b>	<b>29,329</b>	<b>23,967</b>	<b>6,139</b>	<b>53,296</b>	<b>9,555</b>	<b>24,953</b>
<b>VI. Tax expense</b>						
Current tax	8,670	7,088	1,722	15,758	2,520	6,485
Deferred tax	2,465	2,000	303	4,465	590	3,075
<b>Total tax expense</b>	<b>11,135</b>	<b>9,088</b>	<b>2,025</b>	<b>20,223</b>	<b>3,110</b>	<b>9,560</b>
<b>VII. Profit for the period/ year (V - VI)</b>	<b>18,194</b>	<b>14,879</b>	<b>4,114</b>	<b>33,073</b>	<b>6,445</b>	<b>15,393</b>
<b>VIII. Other comprehensive income</b>						
A (i) Items that will not be reclassified to the statement of profit and loss						
(a) Remeasurement of post-employment benefit obligations	(67)	(21)	(195)	(88)	(199)	(80)
(b) Income tax relating to these items	25	8	69	33	70	28
B (i) Items that may be reclassified to the statement of profit and loss						
(a) Cost of hedging - Fair value change	-	-	(51)	-	(80)	(79)
(b) Cost of hedging - reclassification	-	-	17	-	17	79
(c) Income tax relating to these items	-	-	11	-	20	-
<b>IX. Total comprehensive income for the period / year (VII + VIII)</b>	<b>18,152</b>	<b>14,866</b>	<b>3,965</b>	<b>33,018</b>	<b>6,273</b>	<b>15,341</b>
<b>X. Earnings per equity share (of ₹ 10 each) (not annualised)</b>						
Basic and diluted (₹)	202.11	165.29	45.70	367.40	71.60	170.99
See accompanying notes to the financial results						



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	Year to date figures for six months ended	Corresponding six months ended in the previous year	Year to date figures for the previous year ended
	30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. Segment revenue</b>						
(a) Mining	24,108	23,815	12,669	47,923	24,662	52,778
(b) Ferroalloys	11,917	9,044	2,312	20,961	3,288	10,940
(c) Coke and energy	23,365	17,251	35	40,616	52	12,851
(d) Unallocable	46	41	10	87	10	102
	59,436	50,151	15,026	1,09,587	28,012	76,671
Less: Inter segment revenue	2,868	2,846	695	5,514	826	2,012
<b>Total</b>	<b>56,568</b>	<b>47,505</b>	<b>14,331</b>	<b>1,04,073</b>	<b>27,186</b>	<b>74,659</b>
<b>2. Segment results</b>						
(a) Mining	15,496	14,984	6,576	30,480	11,741	25,824
(b) Ferroalloys	5,631	3,943	658	9,574	(66)	1,066
(c) Coke and energy	9,912	7,046	(218)	16,958	(514)	2,669
	31,039	25,973	7,016	57,012	11,161	29,559
Less: (i) Finance costs	989	1,032	158	2,021	310	1,306
(ii) Other unallocable expenditure/ (income) net of unallocable (income)/ expenditure	721	974	719	1,695	1,296	3,300
	29,329	23,967	6,139	53,296	9,555	24,953
<b>Profit before tax</b>						
<b>3. Segment assets</b>						
(a) Mining	19,500	20,363	16,656	19,500	16,656	20,045
(b) Ferroalloys	15,850	18,159	18,917	15,850	18,917	16,775
(c) Coke and energy	81,211	70,520	69,787	81,211	69,787	72,360
(d) Unallocable	1,02,152	79,747	47,660	1,02,152	47,660	63,211
<b>Total</b>	<b>2,18,713</b>	<b>1,88,789</b>	<b>1,53,020</b>	<b>2,18,713</b>	<b>1,53,020</b>	<b>1,72,391</b>
<b>4. Segment liabilities</b>						
(a) Mining	13,237	12,634	12,156	13,237	12,156	11,800
(b) Ferroalloys	2,476	2,206	5,967	2,476	5,967	2,590
(c) Coke and energy	27,747	16,933	6,200	27,747	6,200	21,603
(d) Unallocable	43,824	42,838	38,454	43,824	38,454	37,086
<b>Total</b>	<b>87,284</b>	<b>74,611</b>	<b>62,777</b>	<b>87,284</b>	<b>62,777</b>	<b>73,079</b>



Notes :

₹ Lakh

1.Statement of assets and liabilities		
Particulars	As at 30.09.2021 (Unaudited)	As at 31.03.2021 (Audited)
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
(a) Property, plant and equipment	73,812	75,422
(b) Capital work-in-progress	8,660	8,225
(c) Investment property	4,860	4,871
(d) Other intangible assets	38	38
(e) Right to use asset	277	443
(f) Financial assets		
(i) Investments	80	78
(ii) Other financial assets	943	915
(g) Deferred tax assets (Net)	-	474
(h) Other non-current assets	7,671	7,119
<b>SUB-TOTAL</b>	<b>96,341</b>	<b>97,585</b>
<b>CURRENT ASSETS</b>		
(a) Inventories	21,471	15,698
(b) Financial assets		
(i) Investments	31,869	28,991
(ii) Trade receivables	11,191	7,557
(iii) Cash and cash equivalents	43,467	6,673
(iv) Other bank balances	6,551	6,454
(v) Other financial assets	450	381
(c) Other current assets	7,373	9,052
<b>SUB-TOTAL</b>	<b>1,22,372</b>	<b>74,806</b>
<b>TOTAL ASSETS</b>	<b>2,18,713</b>	<b>1,72,391</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity share capital	900	900
(b) Other equity	1,30,529	98,411
<b>SUB-TOTAL</b>	<b>1,31,429</b>	<b>99,311</b>
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
(a) Financial liabilities		
(i) Borrowings	28,145	30,697
(ii) Lease liabilities	12	310
(iii) Other financial liabilities	3,041	3,646
(b) Provisions	1,192	1,067
(c) Deferred tax liabilities (Net)	3,991	-
<b>SUB-TOTAL</b>	<b>36,381</b>	<b>35,720</b>
<b>CURRENT LIABILITIES</b>		
(a) Financial liabilities		
(i) Borrowings	5,594	5,714
(ii) Lease liabilities	287	170
(iii) Trade payables		
Total outstanding dues to micro & small enterprises	241	-
Total outstanding dues of creditors other than micro & small enterprises	28,727	22,239
(iv) Other financial liabilities	693	1,456
(b) Provisions	89	55
(c) Current tax liabilities (Net)	5,271	157
(d) Other current liabilities	10,001	7,569
<b>SUB-TOTAL</b>	<b>50,903</b>	<b>37,360</b>
<b>TOTAL LIABILITIES</b>	<b>2,18,713</b>	<b>1,72,391</b>



₹ lakh

2. Statement of cash flows		
Particulars	Half Year ended	Year ended
	30.09.2021 (Unaudited)	31.03.2021 (Audited)
<b>Cash flows from operating activities</b>		
Profit before tax for the period/ year	53,296	24,953
Adjustments for:		
Depreciation and amortisation expense	2,446	2,681
Gain on disposal of property, plant and equipment	-	(3)
Capital work in progress written off/ assets discarded	-	476
Finance costs	2,021	1,306
Interest income	(308)	(305)
Dividend income	(6)	(162)
Gain on investments carried at fair value	(1,062)	(963)
Rental income from investment properties	(15)	(57)
Reclassification of hedge reserve	-	79
Net foreign exchange (gain)/ loss (net)	(42)	(109)
Operating profit before working capital changes	56,330	27,896
Adjustments for (increase)/ decrease in operating assets:		
Other non-current financial assets	(17)	76
Other non-current assets	-	3
Inventories	(5,772)	465
Trade receivables	(3,634)	(4,477)
Other current financial assets	29	(102)
Other current assets	1,678	838
Adjustments for (increase)/ decrease in operating liabilities:		
Non-current provisions	124	270
Trade payables	6,771	14,312
Other current financial liabilities	-	(80)
Current provisions	34	7
Other current liabilities	2,344	1,237
<b>Cash generated from operations</b>	57,887	40,445
Income taxes paid	(10,671)	(6,328)
<b>Net cash generated by operating activities</b>	47,216	34,117
<b>Cash flows from investing activities</b>		
Additions to property, plant and equipment, intangible assets (including capital work-in-progress and capital advances)	(3,235)	(6,011)
Proceeds from sale of property, plant and equipment	-	7
Bank balances not considered as cash and cash equivalents (net)	(108)	2,869
(Purchase)/ sale of investments (net)	(1,819)	(22,391)
Interest received	210	265
Rental income from investment properties	15	57
Dividends received	6	162
<b>Net cash (used in)/generated by investing activities</b>	(4,931)	(25,042)
<b>Cash flows from financing activities</b>		
Proceeds (repayment) from/ (of) long term borrowings	(2,671)	3,289
Proceeds from short term borrowings(net)	-	(6,865)
Finance costs	(2,021)	(1,306)
Dividends paid	(619)	(433)
Lease liability paid	(180)	(510)
<b>Net cash used in financing activities</b>	(5,491)	(5,825)
<b>Net increase in cash and cash equivalents</b>	36,794	3,250
Cash and cash equivalents at the beginning of the period/ year	6,673	3,423
<b>Cash and cash equivalents at the end of the period/ year</b>	43,467	6,673



3. The above statement of financial results for the half year ended September 30, 2021 was reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on November 10, 2021.
4. The figures for the three months ended on September 30, 2021 are the balancing figures between unaudited figures of half year ended September 30, 2021 and unaudited figures of three months ended June 30, 2021.
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/FAC/62/2016 dated July 5, 2016.
6. Pursuant to the Taxation Laws (Amendment), Act 2019 effective from September 20, 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, 2021 based on the already prevailing income tax rate.
7. The Company has considered the possible effects that may arise out of the prevailing COVID-19 pandemic on the carrying amounts of Property, Plant & Equipment including Capital Work in progress, Intangible Assets, Investments, Inventories, Trade Receivables, Other Financials 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 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.
8. The break up of other expenses (refer IV (f) of Statement of Unaudited Financial Results) is as below:

Particulars	Three months ended	Preceding three months ended	Corresponding three months ended in the previous year	Year to date figures for six months ended	Corresponding six months ended in the previous year	Year to date figures for the previous year ended
	30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(a) Mine running expenses	2,220	1,875	1,628	4,094	2,541	5,663
(b) Freight, loading and siding charges	837	939	869	1,776	1,321	3,251
(c) Rates and taxes	4,049	3,950	2,146	7,999	4,056	8,523
(d) Other expenses	2,621	2,523	1,262	5,145	2,268	7,798
<b>Total</b>	<b>9,727</b>	<b>9,287</b>	<b>5,905</b>	<b>19,014</b>	<b>10,186</b>	<b>25,235</b>



9. During the year ended March 31, 2021 after the commencement of commercial production of coke, the Senior Management has changed its review of the Company's operations to make decisions about resource allocation to the segments and assess their performance. Pursuant to this change, the identified segments have also changed and accordingly, the corresponding half year and three months ended September 30, 2020 reported segments are reclassified. Further, the segment "Ferroalloy and Energy" has been renamed and redesignated as "Ferroalloy" and a new segment called "Coke and Energy" has been introduced.

₹ Lakh

Particulars	Corresponding three months ended in the previous year 30.09.2020			Corresponding six months ended in the previous year 30.09.2020		
	Previously reported	Reclassification	Present report	Previously reported	Reclassification	Present report
<b>1. Segment revenue</b>						
Mining	12,669	-	12,669	24,662	-	24,662
Ferroalloys and Energy	2,347	(2,347)	-	3,340	(3,340)	-
Ferroalloys	-	2,312	2,312	-	3,288	3,288
Coke and Energy	-	35	35	-	52	52
Unallocable	10	-	10	10	-	10
Less: Inter segment revenue	15,026	-	15,026	28,012	-	28,012
	695	-	695	826	-	826
<b>Total</b>	<b>14,331</b>	<b>-</b>	<b>14,331</b>	<b>27,186</b>	<b>-</b>	<b>27,186</b>
<b>2. Segment results</b>						
Mining	6,576	-	6,576	11,741	-	11,741
Ferroalloys and Energy	440	(440)	-	(580)	(580)	-
Ferroalloys	-	658	658	-	(66)	(66)
Coke and Energy	-	(218)	(218)	-	(514)	(514)
Less:	7,016	-	7,016	11,161	-	11,161
(i) Finance costs	158	-	158	310	-	310
(ii) Other unallocable expenditure/ (income) net of unallocable (income)/ expenditure	719	-	719	1,296	-	1,296
<b>Profit before tax</b>	<b>6,139</b>	<b>-</b>	<b>6,139</b>	<b>9,555</b>	<b>-</b>	<b>9,555</b>
<b>3. Segment Assets</b>						
Mining	16,656	-	16,656	16,656	-	16,656
Ferroalloys and Energy	34,753	(34,753)	-	34,753	(34,753)	-
Ferroalloys	-	18,917	18,917	-	18,917	18,917
Coke and Energy	-	69,787	69,787	-	69,787	69,787
Unallocable	1,01,611	(53,951)	47,660	1,01,611	(53,951)	47,660
<b>Total</b>	<b>1,53,020</b>	<b>-</b>	<b>1,53,020</b>	<b>1,53,020</b>	<b>-</b>	<b>1,53,020</b>
<b>4. Segment Liability</b>						
Mining	12,156	-	12,156	12,156	-	12,156
Ferroalloys and Energy	7,199	(7,199)	-	7,199	(7,199)	-
Ferroalloys	-	5,967	5,967	-	5,967	5,967
Coke and Energy	-	6,200	6,200	-	6,200	6,200
Unallocable	43,422	(4,968)	38,454	43,422	(4,968)	38,454
<b>Total</b>	<b>62,777</b>	<b>-</b>	<b>62,777</b>	<b>62,777</b>	<b>-</b>	<b>62,777</b>

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

Bengaluru  
November 10, 2021



for and on behalf of the Board of Directors

*Bahirji A. Ghorpade*

**BAHIRJI A. GHORPADE**  
Managing Director